



Financial Statements

Souths Rugby Union Club Incorporated

ABN 41 705 865 437

For the year ended 30 September 2023

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Trading Statement

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

	NOTES	2023	2022
Trading Income			
Sales			
Trading Revenue			
Beer Sales		145,037	141,943
Wine & Spirits Sales		101,741	102,752
Water/Softdrink/Confectionary Sales		60,643	51,427
Food Sales		76,612	34,325
Merchandise Sales		30,220	37,902
Events & Functions		29,385	30,371
Till Discrepancies		-	5,192
Total Trading Revenue		443,639	403,910
Total Sales		443,639	403,910
Cost of Sales			
Opening Stock		42,130	28,662
Purchases			
Purchases - Beer		43,667	51,611
Purchases - Wine & Spirits		59,096	59,786
Purchases - Softdrinks/Water/Confectionary		26,427	27,201
Purchases - Food		63,367	27,713
Purchases - Merchandise		30,455	33,831
Events & Functions Costs		11,427	10,062
Total Purchases		234,438	210,202
Direct Costs			
Direct Wages		59,672	91,098
Direct Superannuation		3,462	7,875
Direct Workers Compensation		1,869	1,133
Consumables Sundry		2,646	2,183
Total Direct Costs		67,649	102,289
Closing Stock		(39,195)	(42,130)
Total Cost of Sales		305,023	299,024
Gross Profit		138,616	104,887
Gross Profit (%)		31	26

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Profit & Loss Statement

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

	NOTES	2023	2022
Income			
Trading Profit		138,616	104,887
Total Income		138,616	104,887
Other Income			
Other revenue			
Coogee Income		64,879	-
Grants & Rebates		11,790	25,588
Interest Income		6,996	1,537
Membership Subscriptions		136,766	142,680
Sponsorships & Fundraising		238,836	139,935
Sundry Income		7,332	9,334
Total Other revenue		466,598	319,074
Total Other Income		466,598	319,074
Total Income		605,214	423,961
Expenses			
Accounting, Audit & Legal Fees		2,790	6,035
Advertising & Promotions		4,501	4,406
Bad debts		-	5,787
Bank Charges & Merchant Fees		3,613	6,415
Capital Works Grants		-	1,200
Cleaning / Pest Control / Fire safety		24,062	18,547
Coaching Fees		111,127	88,124
Coogee Expenses		70,364	-
Electricity		27,757	17,377
Fees, Permits, Rates & Licences		5,470	7,849
Gas		1,423	1,020
General Expenses		319	260
Hospitalisty		800	1,823
Insurance expense		23,061	15,687
Interest expense		5,422	1,076
Jerseys & Uniforms		124,184	44,400
Laundry Services		9,677	7,935
Levies - ARU/QRU/BJRU		13,833	15,299
Medical & Strapping Supplies		13,185	19,941
Medics & Physio Fees		55,283	33,604
Minor Equipment Purchases		4,833	726
Printing, Postage & Stationery		1,339	1,586
Recruitment & Retention		50,184	32,376
Rent expense		4,578	-

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	NOTES	2023	2022
Repairs & Maintenance - Fields/Grounds		20,215	20,001
Repairs & maintenance		8,961	12,800
Staff Training		-	1,465
Subscriptions		8,159	278
Superannuation		7,321	4,828
Telephone & Internet		1,803	1,831
Training Equipment		2,244	9,468
Transport / travel cost		2,232	-
Trophies & Presentations		7,470	24,676
Wages		82,334	50,845
Water		20,519	11,383
Workers Compensation		1,869	1,133
Total Expenses		720,929	470,184
Operating Profit/(Loss)		(115,714)	(46,223)
Non Operating Revenue			
Grants - Capital Works		499,666	-
Total Non Operating Revenue		499,666	-
Non Operating Costs			
Depreciation		51,986	57,282
Total Non Operating Costs		51,986	57,282
Net Profit		331,966	(103,505)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Balance Sheet

Souths Rugby Union Club Incorporated As at 30 September 2023

	NOTES	30 SEP 2023	30 SEP 2022
Assets			
Current Assets			
Cash and Cash Equivalents		698,840	313,681
Trade and Other Receivables	2	54,415	38,204
Inventories	3	39,195	42,130
Total Current Assets		792,449	394,015
Non-Current Assets			
Property, Plant and Equipment	4	924,478	940,892
Total Non-Current Assets		924,478	940,892
Total Assets		1,716,927	1,334,907
Liabilities			
Current Liabilities			
Cash and Cash Equivalents		46,816	15,508
Trade and Other Payables	5	99,055	80,309
Total Current Liabilities		145,871	95,817
Total Liabilities		145,871	95,817
Net Assets		1,571,056	1,239,090
Club Funds			
Accumulated Club Funds	6	1,571,056	1,239,090
Total Club Funds		1,571,056	1,239,090

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

1. Statement of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements for the association's Constitution and Associations Incorporation Act (Queensland). The committee has determined that the association is not a reporting entity.

These financial statements have been prepared on an accrual basis and is based on historical costs and do not take into account changing money values nor, except where stated, current valuation of non-current assets. Except where stated, accounting policies have been consistently applied.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

Property, Plant and Equipment

Items are measured on the cost basis. Each class of property plant and equipment under \$1,000 is expensed.

Any carrying amount of property, plant and equipment is reviewed annually by the committee to ensure it is not in excess of the recoverable amount of these assets. The recoverable amount is assessed on the basis of expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in members' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a diminishing value basis over the useful lives to the economic entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Plant and Equipment	15% diminishing value
Ground Equipment	10% diminishing value
Furniture & Fittings	20% diminishing value
Buildings & Leasehold Improvements	2.5% diminishing value

Impairment of Assets

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

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials only.

Leases

All leases are charged as expenses in the periods in which they are incurred.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in

These notes should be read in conjunction with the attached compilation report.

current liabilities on the balance sheet.

Income Tax

The committee has formed the opinion that association is exempt from payment of income tax under the provisions of the Income Tax Assessment Act. Consequently, tax effect accounting is not applicable and no provision has been made for income tax.

Employee Benefits

No provision is made for the entity's liability for employee benefits arising from services rendered by employees to balance date.

Mortgages

The overdraft facility with the Commonwealth Bank of Australia is secured by the Incorporated Associations assets via a company charge.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised when it is received. Dividend revenue is recognised when it has been received.

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

Prior Year Figures

Unless otherwise stated, the accounting policies adopted are consistent with those of the previous financial year.

Related Parties

Interest in Contracts

During the year Souths Rugby Union Club Incorporated appointed Lakehouse Accounting as the association's auditor.

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included with other receivables or payables in the statement of financial position.

Grants

Grant revenue is recognised in the income statement when the entity receives the grant, when it is probable that the entity will receive the economic benefits of the grant and the amount can be reliably measured.

Grants - capital works are government funded grants that are specifically for the re-development of the club house. These funds are quarantined for this purpose and cannot be used as working capital.

	2023	2022
2. Trade and Other Receivables		
Current		
Accounts Receivable	30,150	22,711
Advance - Souths Rugby Foundation	1,000	1,000
Other Receivables	8,427	-

These notes should be read in conjunction with the attached compilation report.

Prepaid Insurance	14,837	14,493
Total Current	54,415	38,204
Total Trade and Other Receivables	54,415	38,204
	2023	2022

3. Inventory

Inventories		
Inventory - Beer	5,635	6,448
Inventory - Wine & Spirits	6,740	6,092
Inventory - Softdrinks/Water/Confectionary	1,087	5,488
Inventory - Merchandise	25,732	24,102
Total Inventories	39,195	42,130
Total Inventory	39,195	42,130
	2023	2022

4. Property Plant and Equipment

Leasehold Improvements		
Leasehold Improvements at Cost	806,260	806,260
Accumulated Amortisation of Leasehold Improvements	(103,512)	(76,447)
Total Leasehold Improvements	702,748	729,813
Ground Facilities		
Ground Facilities at Cost	304,905	304,905
Accumulated Depreciation of Ground Facilities	(212,873)	(202,685)
Total Ground Facilities	92,032	102,220
Plant and Equipment		
Plant and Equipment at Cost	208,873	204,684
Accumulated Depreciation of Plant and Equipment	(159,103)	(150,632)
Total Plant and Equipment	49,770	54,052
Furniture & Fittings		
Furniture & Fittings at Cost	54,627	52,750
Accumulated Depreciation of Furniture & Fittings	(47,997)	(46,598)
Total Furniture & Fittings	6,631	6,152
Rugby Equipment		
Rugby Equipment at Cost	118,201	118,655
Accumulated Depreciation of Rugby Equipment	(90,910)	(86,105)
Total Rugby Equipment	27,291	32,550
Other Fixed Assets		
Work in Progress	46,005	16,104
Total Other Fixed Assets	46,005	16,104
Total Property Plant and Equipment	924,478	940,892

These notes should be read in conjunction with the attached compilation report.

	2023	2022
5. Trade and Other Payables		
Current		
Accounts Payable	64,079	48,103
ATO Amounts Payable	15,691	15,555
Insurance Premium Funding	16,371	12,780
Payroll Creditors	2,914	3,871
Total Current	99,055	80,309
Total Trade and Other Payables	99,055	80,309
	2023	2022
6. Accumulated Club Funds		
Accumulated Club Funds at Start of Year	1,239,090	1,342,595
Profit/(Loss) This Year	(167,700)	(103,505)
Total Accumulated Club Funds	1,071,390	1,239,090

These notes should be read in conjunction with the attached compilation report.

Appropriation Statement

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

	NOTES	2023	2022
Retained Earnings after Appropriation			
Retained Earnings at Start of Year		1,239,090	1,342,595
Profit/(Loss) Before Taxation		331,966	(103,505)
Retained Earnings After Appropriation		1,571,056	1,239,090

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement by Members of the Committee

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

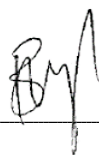
The committee members have determined that the entity is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the accounts.

In the opinion of the committee this financial report:

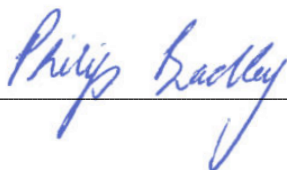
1. Presents fairly the financial position of Souths Rugby Union Club Incorporated as at 30 September 2023 and its performance for the year ended on that date.
2. At the date of this statement there are reasonable grounds to believe that the entity will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

Treasurer: _____



Secretary: _____



Sign date: 13 November 2023

Auditors Report

Souths Rugby Union Club Incorporated For the year ended 30 September 2023

To the Members

Souths Rugby Union Club Incorporated

The Special Purpose Financial Report

We have audited the attached special purpose financial report of Souths Rugby Union Club Incorporated for the year ended 30 September 2023, comprising of Balance Sheet, Statement of Receipts and Payments, Notes To The Financial Report, and Statement by Members of the Committee.

Committee's Responsibility for the Financial Report

The Committee is responsible for the preparation and true and fair presentation of the financial report and have determined that the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are consistent with the financial reporting requirements of the Associations Incorporations Act 1981 Queensland and are appropriate to meet the needs of the members. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

The special purpose financial report has been prepared for distribution to the members for the purpose of fulfilling the Committee's financial reporting requirements under the Associations Incorporation Act 1981 Queensland. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates, to any person other than the members, or of any purpose other than that for which it was prepared.

Auditor's Responsibility

We conducted an independent audit in order to express an opinion to the members of the Association. Our audit was conducted in accordance with Australian Auditing Standards, in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the accounting policies described in Note 1, so as present a view which is consistent with our understanding of the association's financial position, and of its performance as represented by the results of its operations. These policies do not require the application of all

Accounting Standards and other mandatory professional reporting requirements in Australia. No opinion is expressed as to whether the accounting policies used and described in Note 1, are appropriate for the needs of the members.

We formed our audit opinion on the basis of these procedures, which included:

- Examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the committee members.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

Audit Report Qualification

Basis for Qualified Opinion

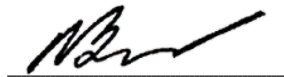
It is not practical for Souths Rugby Union Club Incorporated to maintain an effective system of internal control over donations and fundraising activities until their initial entry in the bank account. Accordingly, my audit in relation to receipts was limited to amounts deposited into the entity's bank account.

Qualified Audit Opinion

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial report of Souths Rugby Union Club Incorporated presents fairly the assets and liabilities at 30 September 2023 and the income and expenditure of the entity for the year then ended in accordance with the basis of accounting described in Note 1 to the financial statements.

Emphasis Of Matter

I draw your attention to the Non-operating Revenue government grant of \$499,666 on page 5 of the Financial Report. Note that those grants received are for capital works expenditure only, specific to the approved grant. As at year end date this amount of \$499,666 is yet to be expended by the Club.



Noel Benson MIPA

Lakehouse Accounting

Dated: 13 November 2023