

audit Pty Ltd
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**The Returned &
Services League of
Australia Ltd**

FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2014**

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THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

A.C.N. 008 488 097

DIRECTORS' REPORT

The National Executive of The Returned & Services League ("RSL") of Australia Limited, submit herewith the annual financial report for the financial year ended 30 June 2014. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names and particulars of the directors of the Company during or since the end of the financial year are:

NAME	EXPERIENCE	MEETINGS HELD	ATTENDED
K A Doolan AO RAN	Member National Executive - 4 years, 9 months	3	3
G Edwards AM	Member National Executive - 1 year, 6 months	3	2
D J McLachlan AO	Member National Executive - 12 years, 1 month	3	3
D E J Rowe OAM	Member National Executive - 10 years, 7 months	3	2
T Hanna AM	Member National Executive - 2 years	3	3
R Dick	Member National Executive - 1 year, 1 month	3	3
P Eveille	Member National Executive - 8 days	0	0
T Meehan	Member National Executive - 3 years	3	3

The RSL is a company established in Canberra to conduct the operations of the National Headquarters of the League.

PRINCIPAL ACTIVITIES

The Principal activities of the National Headquarters during the course of the year were:

- (i) the continued care and welfare of ex-service personnel;
- (ii) representing the views and opinions of its members to governments, to the public generally and to organisations with interests similar to those of the RSL;
- (iii) the provision of representation before statutory Boards and Tribunals;
- (iv) the liaison with overseas ex-service organisation; and
- (v) overseeing the conditions of service of serving personnel in the Australian Defence Force.

During the year there was no significant change in the nature of those activities.

REVIEW OF OPERATIONS

The net amount of surplus (loss) of the National Headquarters for the year was \$353,219.

DIVIDENDS

In accordance with the Constitution, the National Headquarters is a company limited by guarantee and accordingly no shares or debentures have been issued and no dividends have been recommended or paid.

CHANGES IN STATE OF AFFAIRS

During the financial year there was no significant change in the state of affairs of the National Headquarters, other than those referred to in the accounts or notes thereto.

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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DIRECTORS' REPORT

SUBSEQUENT EVENTS

There has not been any matter or circumstance, other than referred to in the accounts or notes thereto, that has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of the National Headquarters, the results of those operations, or the state of affairs of the National Headquarters in financial years subsequent to this financial year.

FUTURE DEVELOPMENTS

No significant future developments which may affect the operations or results of the National Headquarters, are envisaged.

INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial year, the RSL paid a premium in respect of a contract insuring the directors of the company against a liability incurred as such a director to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The RSL has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such an officer or auditor.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations ACT 2001 is attached to this report.

Signed in accordance with a resolution of the Board of Directors

On behalf of the Directors

Director

Director

Date:.....



**Chartered
Accountant**

**INDEPENDENCE DECLARATION
TO THE MEMBERS OF
THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LTD
ACN 008 488 097**

PRINCIPAL: Phillip W Miller CA
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ASIC Authorised Audit Company No. 408893

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2014 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- b. assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

**MCS Audit Pty Ltd
Chartered Accountants**

**Phillip William Miller CA
Director**

Dated in Canberra on:

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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STATEMENT of COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2014

2013 \$		Notes	2014 \$
1,275,675	Revenue from ordinary activities	3a	1,599,487
129,900	Administration expenses		295,451
588,200	Employee benefits expense		642,310
18,285	Occupancy expenses		31,451
34,004	Depreciation	3b	43,936
30,027	Meeting and conference expenses		164
21,110	Insurance costs		20,366
18,300	Accounting and auditing fees		10,765
49,234	Commissions - to States for UNIBIC sales		63,646
262,580	Other expenses from ordinary activities		138,179
1,151,640	Total Expenses		1,246,268
124,035	(Loss)/Profit from ordinary activities before income tax		353,219
-	Income tax expense relating to ordinary activities		-
124,035	Net Surplus for Year		353,219

Statement of Changes in Equity

Balance at 30th June, 2012	2,583,676
Surplus for Year 2013	124,035
Prior Year Adjustments	(50,082)
Balance at 30th June, 2013	2,657,629
Balance at 30th June, 2013	2,657,629
Surplus for Year 2014	353,219
Prior Year Adjustments	19,573
Balance at 30th June, 2014	3,030,421

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014

2013 \$		Notes	2014 \$
	Current Assets		
1,261,669	Cash assets	4	1,063,823
89,430	Receivables	5	509,375
42,308	Other	6	6,528
122,338	Inventory		117,001
668,219	Investments	7	568,219
<u>2,183,964</u>	Total Current Assets		<u>2,264,946</u>
	Non-Current Assets		
1,232,329	Property, plant and equipment	8	1,191,171
<u>1,232,329</u>	Total Non-Current Assets		<u>1,191,171</u>
<u>3,416,293</u>	Total Assets		<u>3,456,117</u>
	Current Liabilities		
487,860	Payables	9	350,931
269,258	Provisions	10	68,424
<u>757,118</u>	Total Current Liabilities		<u>419,355</u>
	Non-Current Liabilities		
1,546	Provisions	11	6,341
<u>1,546</u>	Total Non-Current Liabilities		<u>6,341</u>
<u>758,664</u>	Total Liabilities		<u>425,696</u>
<u>2,657,629</u>	Net Assets		<u>3,030,421</u>
	Equity		
2,657,629	Retained earnings	13	3,030,421
<u>2,657,629</u>	Total Equity		<u>3,030,421</u>

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITES

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2014

2013		Notes	2014
\$			\$
	Cash Flows From Operating Activities		
1,733,993	Receipts from customers		1,323,043
(1,393,028)	Payments to employees and suppliers		(1,729,530)
64,904	Interest received		111,419
405,869	Net cash provided by/(used in) operating activities	18a	(295,068)
	Cash Flows from Investing Activities		
(112,880)	Payments for property, vehicle & equipment		(2,778)
26,905	Proceeds from sale of vehicle, plant & equipment		-
(85,975)	Net cash used in investing activities		(2,778)
319,894	Net Increase/(Decrease) In Cash Held		(297,846)
1,609,994	Cash At The Beginning Of The Financial Year		1,929,888
1,929,888	Cash At The End Of The Financial Year	18b	1,632,042

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

NOTE 1: Statement of Significant Accounting Policies

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Corporations ACT 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this report are presented below and have been consistently applied unless otherwise stated. The financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable ,by the measurement at fair value of selected non - current assets ,financial assets and financial liabilities.

Accounting Policies

a. Income tax

No provision has been made for income tax as the Company is exempt from taxation under Section 50-5 of the Income Tax Assessment Act 1997.

b. Inventories

Inventories are valued at the lower of cost and net realisable value.

c. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Where an asset is acquired at no cost, the cost is its fair value as at the date of acquisition

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

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value basis over its useful lives to the Company commencing from the time the asset is held ready for use. The estimated useful lives used for each class are:

Class of Fixed Asset	Useful Lives
Buildings	45 years
Plant and Equipment	5-13 years

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

d. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company is classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below and details have been disclosed in Note 18 to this report.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the come statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Held-to-maturity investments

These investments have fixed maturities, and it is the group's intention to hold these investments to maturity. Any held-to-maturity investments held by the group are stated at amortised cost using the effective interest rate method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to equity.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

f. Impairment of Assets

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

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

g. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one

year has been measured at the present value of the estimated future cash outflows to be made for those benefits.

h. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

i. 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 borrowings in current liabilities on the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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

j. Revenue

Capitations

RSL has an ongoing agreement with the State Chapters in regard to Capitation Revenue. Revenue is recognised on notification from the States as to the number of new memberships, or membership renewals, for a financial period.

Government Grants

Government grants are recognised as income on a systematic and rational basis over the periods necessary to match them with the related costs.

Commissions and Donations

Commissions and donations revenues are recognised when they are received.

Sale of Goods and Disposal of Assets

Revenue from the sale of goods and disposal of other assets is recognised when the entity has passed control of the goods or other assets to the buyer.

Interest revenue

Interest is recognised on an accrual basis.

k. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amounts of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

l. Comparative Figures

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

Note 2 TRUST FUNDS HELD

The financial transactions of the Company are recorded in eleven separate funds, each being represented by separate net assets and are shown in Note 17 to the these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

2013 \$	NOTE		2014 \$
	3	PROFIT FROM ORDINARY ACTIVITIES	
		Profit from ordinary activities before income tax includes the following items of revenue and expenses:	
		(a) Operating revenue	
669,976		Capitation fees	830,076
275,983		Commission - UNIBIC	253,805
165,339		Donations (net of share to States)	347,423
55,772		Royalties	32,902
64,904		Interest	111,419
43,701		Other revenue from ordinary activities	23,862
<u>1,275,675</u>			<u>1,599,487</u>
		b) Expenses	
		Depreciation of Non Current Assets:	
10,615		Buildings	10,615
8,650		Equipment, furniture and fixtures	7,790
7,402		Motor vehicles	13,671
7,096		Computer hardware and software	11,637
241		Library, plaques & RSL march	223
<u>34,004</u>			<u>43,936</u>
		Net transfers to/(from) provisions:	
		Employee entitlements	
9,485		Annual leave	(93,930)
11,110		Long service leave	(102,109)
<u>20,595</u>			<u>(196,039)</u>
<u>454</u>		Operating lease rental expenses	<u>2,985</u>
		Government Grant - Contributions towards:	
-		- National Executive	-
-		- National Congress	-
-		- National President's Expenses	-
-		- National Headquarters Travel	-
-		- Community Consultation	-
<u>-</u>			<u>-</u>

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

2013 \$	NOTE		2014 \$
	4	CASH ASSETS	
290		Cash on hand	31
1,150,691		Cash at bank - General Funds	951,880
110,688		Cash at bank - Building Fund	111,912
<u>1,261,669</u>			<u>1,063,823</u>
	5	CURRENT RECEIVABLES	
49,870		Trade receivables	422,667
39,560		GST receivable/sundry debtors	86,708
<u>89,430</u>			<u>509,375</u>
	6	OTHER CURRENT ASSETS	
8,319		Interests Receivables	6,528
33,989		Prepayments	-
<u>42,308</u>			<u>6,528</u>
	7	INVESTMENTS	
		Current	
668,219		Term deposit	568,219

NOTE 8 PROPERTY PLANT AND EQUIPMENT

	Leasehold Land & Buildings at cost	Equipment, Furniture & Fixtures at cost	Motor Vehicles at cost	Computer Hardware & Software at cost	Library, Plaques & RSL March at cost	TOTAL
Gross Carrying Amount	\$	\$	\$	\$	\$	\$
Balance start of year	1,210,396	255,047	75,951	97,070	11,877	1,650,341
Additions	-	-	-	2,778	-	2,778
Disposals	-	-	-	-	-	-
Balance at end of year	<u>1,210,396</u>	<u>255,047</u>	<u>75,951</u>	<u>99,848</u>	<u>11,877</u>	<u>1,653,119</u>
Accumulated Depreciation and Amortisation						
Balance at start of year	(165,613)	(179,260)	(4,539)	(59,699)	(8,902)	(418,013)
Depreciation	(10,615)	(7,790)	(13,671)	(11,637)	(223)	(43,936)
Disposals	-	-	-	-	-	-
Balance at end of year	<u>(176,228)</u>	<u>(187,050)</u>	<u>(18,210)</u>	<u>(71,336)</u>	<u>(9,125)</u>	<u>(461,949)</u>
As at 30 June 2014	1,034,168	67,998	57,741	28,512	2,752	1,191,171

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

2013 \$	NOTE		2014 \$
	9	CURRENT PAYABLES	
31,509		Trade creditors	13,847
456,351		Other payables	337,084
487,860			350,931
	10	CURRENT PROVISIONS	
142,773		Annual leave (note 12.)	48,843
126,485		Long service leave (note 12.)	19,581
269,258			68,424
	11	NON-CURRENT PROVISIONS	
1,546		Long service leave (note 12.)	6,341
	12	EMPLOYEE BENEFITS	
		The aggregate employee entitlement liability recognised and included in the financial statements is as follows:	
		Provisions for employee entitlements	
269,258		Current (note 10.)	68,424
1,546		Non-current (note 11.)	6,341
270,804			74,765
5		Number of employees (on a full-time equivalent basis) at the end of the financial year	4
	13	CHANGE IN EQUITY	
		RETAINED EARNINGS	
2,583,676		Balance at the beginning of financial year	2,657,629
124,035		Net Profit (loss) attributable to members	353,219
(50,082)		Prior Year Adjustments	19,573
2,657,629		Balance at the end of the financial year	3,030,421
	14	REMUNERATION OF AUDITOR	
		Remuneration of the auditor for:	
7,320		Auditing the financial report	5,480
10,560		General accounting services	4,865
420		FBT return	420
18,300			10,765

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

NOTE

15 SEGMENT INFORMATION

The RSL operates in one industry as a national representative body of the members of the Returned & Services League in one geographical area in Australia.

16 FINANCIAL INSTRUMENTS

a. Interest Rate Risk

The following table details the RSL's exposure to interest rate risk as at the reporting date.

2013	Average Interest	Variable Interest Rate	Fixed Interest Rate Maturity		Non Interest Bearing	Total
			Less than 1 year	1 to 5 Years		
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash	4.45%	1,056,260	110,688		94,431	1,261,379
Investments	4.45%		668,219			668,219
Receivables	0.00%				49,870	49,870
		<u>1,056,260</u>	<u>778,907</u>		<u>144,301</u>	<u>1,979,468</u>
Financial Liabilities						
Creditors & accruals	0.00%				487,860	487,860
Employee entitlements	0.00%				270,804	270,804
		<u>-</u>	<u>-</u>	<u>-</u>	<u>758,664</u>	<u>758,664</u>

2014	Average Interest	Variable Interest Rate	Fixed Interest Rate Maturity		Non Interest Bearing	Total
			Less than 1 year	1 to 5 Years		
	%	\$	\$	\$	\$	\$
Financial Assets						
Cash	1-3.85%	927,410	111,912		24,470	1,063,792
Investments	3.85%		568,219			568,219
Receivables	0.00%				422,667	422,667
		<u>927,410</u>	<u>680,131</u>		<u>447,137</u>	<u>2,054,678</u>
Financial Liabilities						
Creditors & accruals	0.00%				350,931	350,931
Employee entitlements	0.00%				74,765	74,765
		<u>-</u>	<u>-</u>	<u>-</u>	<u>425,696</u>	<u>425,696</u>

b. Credit Risk

Credit risk refers to the risk that a customer or business partner will default on its contractual obligations resulting in financial loss to the Company. The RSL has adopted the policy of only dealing with creditworthy companies and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The RSL measures credit risk on a fair value basis.

The RSL does not have any significant credit risk exposure to any single company.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the RSL's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2013 \$	NOTE	2014 \$
	17 TRUST FUNDS	
<u>414,559</u>	(a) JUBILEE COMMEMORATIVE FUND OF THE RSL Cash at bank and on deposit	<u>381,352</u>
<u>276,798</u>	(b) RSL NATIONAL WELFARE AND DISASTER FUND Cash at bank and on deposit	<u>278,405</u>
<u>17,862</u>	(c) VICTORIA CROSS AND HISTORIC MEDALS TRUST Cash at bank	<u>-</u>
<u>105,721</u>	(d) THE MOUNTBATTEN FUND Cash at bank and on deposit	<u>105,785</u>
<u>1,012,250</u>	(e) WAR VETERANS HOMES & WELFARE Cash at bank and on deposit	<u>900,525</u>
<u>28,082</u>	(f) COMMEMORATIVE PLAQUES Cash at bank (Bastiaan Plaques)	<u>29,329</u>
<u>128,584</u>	(g) RSL & 6TH DIV HELLENIC MEMORIAL FUND Cash at bank and on deposit	<u>121,327</u>
<u>5,516</u>	(h) THE MONA TAIT & MAY HAYMAN MEMORIAL FUND Cash at bank and on deposit	<u>5,174</u>
<u>409,586</u>	(i) NATIONAL COUNCIL OF AUSTRALIAN FORCES OVERSEAS FUND Cash at bank & on Deposit	<u>433,587</u>
<u>357,205</u>	(j) RSL FOUNDATION FUND Cash at bank & on Deposit	<u>350,492</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

2013	NOTE 18	2014
\$		\$
	NOTES TO THE STATEMENT OF CASH FLOWS (GENERAL FUND)	
	a. Reconciliation of (Loss)/Profit From Ordinary Activities After Related Income Tax to Net Cash Flows From Operating Activities	
124,035	Profit/(Loss) From Ordinary Activities	353,219
(50,082)	Prior Year Adjustments	19,573
34,004	Depreciation and amortisation	43,936
20,595	Staff entitlement provisions	(196,039)
	(Increase)/Decrease in assets	
59,263	Current receivables	(419,945)
(114,602)	Current inventories	5,338
12,395	Other current assets	35,780
320,261	Other current liabilities	(136,929)
<u>405,869</u>	Net Cash Flows From Operating Activities	<u>(295,068)</u>
	b. Reconciliation of Cash	
	Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:	
1,261,669	Cash - working account	1,063,823
668,219	Investments - Term deposits	568,219
<u>1,929,888</u>		<u>1,632,042</u>
	c. Cash Flow Statement Accounting Policy	
	Cash represents highly liquid investments which are readily convertible to cash on hand at the investor's option and which the RSL uses in its cash management function on a day-to-day basis.	
	d. Non-Cash Financing and Investing Activities	
	During the financial year, the RSL traded in plant, Vehicles or equipment with an aggregate fair value of \$0. This disposal is reflected in the statement of cash flows.	

NOTE 19

DIRECTORS' REMUNERATION

The directors of the National Headquarters do not receive any remuneration for services performed as directors.

Registered Office

Unit 3 & 4, 71 Constitution Avenue
Campbell
ACT 2612

Principal Place of Business

Unit 3 & 4, 71 Constitution Avenue
Campbell
ACT 2612

THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LIMITED

A.C.N 008 488 097

DIRECTOR'S DECLARATION

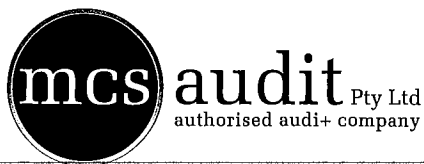
The directors of the company declare that:

- 1 The financial statements and notes as set out on the attached report are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standards and the Corporations Regulations Act 2001; and
 - (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the company and economic entity
- 2 In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director.....

Dated this day of 2014



**Chartered
Accountant**

PRINCIPAL: Phillip W Miller CA
Unit 2, 2 Napier Close, Deakin ACT 2600
PO Box 105 Deakin West ACT 2600
P: 02 6260 3588 F: 02 6281 7708
E: admin@mcsaccounting.com.au
W: www.mcsaudit.com.au
ASIC Authorised Audit Company No. 408893

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE RETURNED & SERVICES LEAGUE OF AUSTRALIA LTD
ACN: 008 488 097**

Report on the Financial Report

I have audited the accompanying financial report, being a special purpose financial report, of The Returned & Services League of Australia Ltd, which comprises the balance sheet as at 30 June 2014, and the income statement, a summary of the significant accounting policies, other explanatory notes and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are consistent with the financial reporting requirements of the *Corporations Act (2001)* and are appropriate to meet the needs of the members. The committee's responsibility also includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on my audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the committee's financial reporting obligations under the *Corporation Act (2001)*. I 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 for any purpose other than that for which it was prepared.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

In conducting my audit, I complied with the independence requirements of Australian professional ethical pronouncements.

Auditors Opinion

In my opinion, the financial report of The Returned & Services League of Australia Ltd presents fairly, in all material respects the financial position of The Returned & Services League of Australia Ltd as of 30 June 2014 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, and the *Corporation Act (2001)*.

Name of Firm: MCS Audit Pty Ltd
Chartered Accountants

Name of director: _____
Phillip W Miller CA

Address: Unit 2 / 2 Napier Close, Deakin ACT 2600

Dated: