

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Financial Statements

For the Year Ended 31 March 2022

Shortland Waters Golf Club Limited

ABN 54 001 038 320

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For the Year Ended 31 March 2022

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Shortland Waters Golf Club Limited

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Directors' Report 31 March 2022

The directors present their report on Shortland Waters Golf Club Limited for the financial year ended 31 March 2022.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Mark Baber - appointed 20 July 2021

Robert Plitz - appointed 5 August 2021

Ross Hartley - appointed 20 July 2021

David Hogg - appointed 20 July 2021

John McConnell

Les Oliver

Mick Blackford

Phil Murray

Steve Goverd

Kaye Simmons - resigned 20 July 2021

Joanne Rose - resigned 20 July 2021

Kaylene Gayner - resigned 20 July 2021

David Busch - resigned 5 August 2021

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Shortland Waters Golf Club Limited during the financial year was the operation of a golf course and a registered club.

No significant changes in the nature of the Club's activity occurred during the financial year.

Short term objectives

The Club's short term objectives are to:

- provide members and visitors with the best facilities possible;
- encourage new membership; and
- achieve a financial position to ensure the ongoing solvency of the Company.

Long term objectives

The Club's long term objectives are to:

- be sustainable and continually improve the facilities to be able to offer the best golfing and social amenities to our members and visitors.

Shortland Waters Golf Club Limited

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Directors' Report

31 March 2022

1. General information (Cont'd)

Strategy for achieving the objectives

To achieve these objectives, the Club has adopted the following strategies:

- Maintain strict controls over the Club's finances to ensure the club remains viable and increases its ability to improve all facilities; and
- Commitment to corporate governance and standards of best practice to enable clear expectations of professional accountabilities and responsibilities to all members.

Performance measures

The following measures are used within the Club to monitor performance:

- monthly trading results, including comparison to budgets;
- levels of membership, including new member applications;
- Cash flows from the operations and level of cash held in bank accounts; and
- number of rounds of golf completed each month.

Members' guarantee

Shortland Waters Golf Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 2, subject to the provisions of the company's constitution.

Operating result

The profit of the Club for the financial year after providing for income tax amounted to \$ 314,236 (2021: \$ 292,866). The profit for the 2021 year included COVID-19 financial support from the Australian Government which came to a total of \$379,001.

2. Other items

Future developments and results

Likely developments in the operations of the Club and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Club.

Shortland Waters Golf Club Limited

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Directors' Report 31 March 2022

Meetings of directors


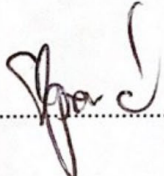
During the financial year, 14 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		House Committee		Finance, Audit and Risk Committee		Match/Greens Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mark Baber - appointed 20 July 2021	10	10	7	3	9	9	5	2
Robert Plitz - appointed 5 August 2021	10	9	-	-	7	6	5	5
John McConnell	14	14	8	8	12	12	-	-
Steve Goverd	14	13	-	-	12	12	-	-
Les Oliver	14	13	-	-	-	-	7	7
Mick Blackford	14	13	7	6	-	-	2	1
Phil Murray	14	12	-	-	-	-	7	6
David Hogg - appointed 20 July 2021	10	9	7	6	-	-	-	-
Kaye Simmons - resigned 20 July 2021	4	3	1	1	3	2	2	1
Ross Hartley - appointed 20 July 2021	10	8	7	5	-	-	-	-
David Busch - resigned 5 August 2021	4	3	-	-	-	-	2	2
Joanne Rose - resigned 20 July 2021	4	3	1	1	-	-	-	-
Kaylene Gayner - resigned 20 July 2021	4	4	-	-	3	3	-	-

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 March 2022 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director:  Director: 

Dated 30 May 2022

SHORTLAND WATERS GOLF CLUB LIMITED
A.B.N 54 001 038 320

AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001

TO THE DIRECTORS OF SHORTLAND WATERS GOLF CLUB LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022 there have been:-

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



Paul Quealey
Partner
Lambourne Partners

Dated: 30 May 2022

Level 1, 56 Hudson Street
HAMILTON NSW 2303

Lambourne Partners



Shortland Waters Golf Club Limited


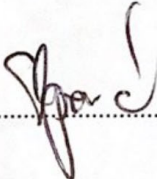
ABN 54 001 038 320

Directors' Declaration

The directors of the Club declare that:

1. The financial statements and notes, as set out on pages 6 to 23, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 March 2022 and of the performance for the year ended on that date of the Club.
2. In the directors' opinion, there are reasonable grounds to believe that the Club 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:  Director: 

Dated 30 May 2022

Shortland Waters Golf Club Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2022

		2022	2021
	Note	\$	\$
Revenue	4	2,509,131	1,868,342
Finance income	5	50	679
Other income	4	14,738	440,738
Changes in inventories of finished goods and work in progress		42,362	5,656
Raw materials and consumables used		(490,768)	(305,654)
Employee benefits expense		(934,212)	(992,071)
Depreciation and amortisation expense		(122,412)	(111,127)
Other expenses		(691,329)	(597,961)
Finance expenses	5	(13,324)	(15,736)
Profit before income tax		314,236	292,866
Income tax expense	1(b)	-	-
Profit from continuing operations		314,236	292,866
Profit for the year		314,236	292,866
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		314,236	292,866

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

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Statement of Financial Position As At 31 March 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,065,795	855,228
Trade and other receivables	8	116,077	19,137
Inventories	9	96,008	53,646
Other assets	11	44,774	53,695
TOTAL CURRENT ASSETS		1,322,654	981,706
NON-CURRENT ASSETS			
Property, plant and equipment	10	288,566	289,802
TOTAL NON-CURRENT ASSETS		288,566	289,802
TOTAL ASSETS		1,611,220	1,271,508
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	137,337	164,131
Borrowings	14	22,792	29,899
Lease liabilities		71,363	80,297
Employee benefits	16	73,320	87,614
Other financial liabilities	15	358,505	248,451
TOTAL CURRENT LIABILITIES		663,317	610,392
NON-CURRENT LIABILITIES			
Borrowings	14	-	17,586
Lease liabilities		79,066	88,929
Employee benefits	16	2,282	2,282
TOTAL NON-CURRENT LIABILITIES		81,348	108,797
TOTAL LIABILITIES		744,665	719,189
NET ASSETS		866,555	552,319
EQUITY			
Retained earnings		866,555	552,319
TOTAL EQUITY		866,555	552,319

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 March 2022

	Retained Earnings	Total
	\$	\$
Balance at 1 April 2021	552,319	552,319
Profit/(loss) for the year	314,236	314,236
Total other comprehensive income for the period	-	-
Balance at 31 March 2022	866,555	866,555
Balance at 1 April 2020	259,453	259,453
Profit/(loss) for the year	292,866	292,866
Total other comprehensive income for the period	-	-
Balance at 31 March 2021	552,319	552,319

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

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Statement of Cash Flows For the Year Ended 31 March 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,797,724	2,209,246
Payments to suppliers and employees	(2,393,376)	(2,089,831)
Interest received	50	680
Finance costs	(10,437)	(15,736)
Other receipts	-	381,596
Net cash provided by/(used in) operating activities	<u>393,961</u>	<u>485,955</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	10,445	127,636
Purchase of property, plant and equipment	(58,701)	(14,782)
Net cash provided by/(used in) investing activities	<u>(48,256)</u>	<u>112,854</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(135,138)	(127,595)
Net cash provided by/(used in) financing activities	<u>(135,138)</u>	<u>(127,595)</u>
Net increase/(decrease) in cash and cash equivalents held	210,567	471,214
Cash and cash equivalents at beginning of year	<u>855,228</u>	<u>384,014</u>
Cash and cash equivalents at end of financial year	7 <u><u>1,065,795</u></u>	<u>855,228</u>

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

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Notes to the Financial Statements For the Year Ended 31 March 2022

The financial report covers Shortland Waters Golf Club Limited as an individual entity. Shortland Waters Golf Club Limited is a not-for-profit Club limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Shortland Waters Golf Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Club have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

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

The revenue recognition policies for the principal revenue streams of the Club are:

Provision of goods or services

Revenue from the provision of goods is recognised at the point of delivery of the goods to the customer, as this corresponds to the transfer of significant risks and rewards.

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Notes to the Financial Statements For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(a) Revenue and other income (Cont'd)

Membership subscriptions

The Club offers memberships to its customers. Revenue is recognised over the term of the contract for membership with the customer as this reflects the period of the services being provided. The Club satisfies its performance obligation over the period of the customer's membership where services are rendered.

Interest Revenue

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Other income

Other income is recognised on an accruals basis when the Club is entitled to it.

(b) Income Tax

The Club is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

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 Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and 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.

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Inventories

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

(f) 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.

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

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Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(f) Property, plant and equipment (Cont'd)

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Club, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Plant and Equipment	5-10 years
Poker Machines	5 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(g) Financial instruments

Financial instruments are recognised initially on the date that the Club becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Club classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Club changes its business model for managing financial assets.

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Notes to the Financial Statements For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(g) Financial instruments (Cont'd)

Financial assets (Cont'd)

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Club's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Club has a number of strategic investments in listed and unlisted entities over which they do not have significant influence nor control. The Club has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to retained earnings and is not reclassified to profit or loss.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI

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Notes to the Financial Statements For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(g) Financial instruments (Cont'd)

Financial assets (Cont'd)

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Club considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Club's historical experience and informed credit assessment and including forward looking information.

The Club uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Club uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Club in full, without recourse to the Club to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Club in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Club has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Club renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Club measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Shortland Waters Golf Club Limited

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Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(g) Financial instruments (Cont'd)

Financial liabilities (Cont'd)

The financial liabilities of the Club comprise trade payables, bank and other loans and lease liabilities.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Leases

At inception of a contract, the Club assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Club has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Club has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Club's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Club's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Club has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Club recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

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Notes to the Financial Statements

For the Year Ended 31 March 2022

2 Summary of Significant Accounting Policies (Cont'd)

(j) Employee benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(k) Adoption of new and revised accounting standards

The Club has adopted all standards which became effective for the first time at 31 March 2022, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Club.

(l) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Club.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Shortland Waters Golf Club Limited

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Notes to the Financial Statements For the Year Ended 31 March 2022

3 Critical Accounting Estimates and Judgments (Cont'd)

Estimation of useful lives of assets

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

4 Revenue and Other Income

Revenue from continuing operations

	2022	2021
	\$	\$
Sales revenue:		
- Bar income	415,519	312,428
- Golf income	1,253,534	995,081
- Food van income	24,481	66,198
- Bistro income	43,741	-
- Membership income	363,456	298,359
- Keno/TAB income	10,819	10,195
- Pro shop income	342,504	154,442
- Poker machine income	55,077	31,639
Total Revenue	2,509,131	1,868,342
Other Income		
- recoveries	-	45,491
- Government grants and support	1,656	381,596
- other income	13,082	11,015
- net gain on disposal of property, plant and equipment	-	2,636
	14,738	440,738

5 Finance Income and Expenses

Finance income

Interest income		
- Assets measured at amortised cost	50	679

Finance expenses

Interest expense	13,324	15,736
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Shortland Waters Golf Club Limited

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Notes to the Financial Statements For the Year Ended 31 March 2022

6 Result for the Year

The result for the year includes the following specific expenses:

	2022	2021
	\$	\$
Net loss on disposal of property, plant and equipment	290	-
Other expenses:		
- Accounting, bookkeeping, consulting and audit fees	60,210	55,961
- Merchant fees	18,590	19,330
- Electricity and water	37,695	28,460
- Insurance	84,306	70,112
- Insurance claim costs	-	32,615
- Repairs and maintenance	184,638	116,741
- Subscriptions	52,310	40,178

7 Cash and Cash Equivalents

Cash on hand	20,350	17,600
Bank balances	1,045,445	837,628
	<u>1,065,795</u>	<u>855,228</u>

8 Trade and other receivables

CURRENT		
Trade receivables	107,555	6,326
Other receivables	8,522	12,811
Total current trade and other receivables	<u>116,077</u>	<u>19,137</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

9 Inventories

CURRENT		
At cost:		
Finished goods	96,008	53,646
Provision for writedowns	-	-
	<u>96,008</u>	<u>53,646</u>

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Notes to the Financial Statements For the Year Ended 31 March 2022

10 Property, plant and equipment

	2022	2021
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	558,132	512,431
Accumulated depreciation	(442,910)	(432,549)
Total plant and equipment	<u>115,222</u>	<u>79,882</u>
Poker Machines		
At cost	78,840	78,840
Accumulated depreciation	(43,373)	(27,605)
Total Poker Machine	<u>35,467</u>	<u>51,235</u>
Total plant and equipment	<u>150,689</u>	<u>131,117</u>
RIGHT-OF-USE		
Right-of-Use - Plant and Equipment		
At cost	352,738	371,839
Accumulated depreciation	(214,861)	(213,154)
Total right-of-use	<u>137,877</u>	<u>158,685</u>
Total property, plant and equipment	<u>288,566</u>	<u>289,802</u>

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant and Equipment	Poker Machines	Right-of-Use - Plant and Equipment	Total
	\$	\$	\$	\$
Year ended 31 March 2022				
Balance at the beginning of year	79,882	51,235	158,685	289,802
Additions	58,701	-	-	58,701
Lease condition adjustments	-	-	73,220	73,220
Disposals	(13,000)	-	-	(13,000)
Depreciation and amortisation expense	(10,361)	(15,768)	(94,028)	(120,157)
Balance at the end of the year	<u>115,222</u>	<u>35,467</u>	<u>137,877</u>	<u>288,566</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2022

11 Other Assets

	2022	2021
	\$	\$
CURRENT		
Prepayments	<u>44,774</u>	<u>53,695</u>

12 Leases

The Club has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

The Club has entered into a peppercorn lease for the lease of the following:

- land in which the golf course resides; and
- club house in which the Club operates from.

The terms of the lease are as follows:

- 20 year lease commencing on 30 November 2018;
- option for additional 20 year lease term or the purchase of the Club land from the lessor;
- annual rent payable of \$1; and
- permitted use of operation and management of the Golf Course and associated facilities, (including the Club House) and activities ancillary to that operation and management.

The peppercorn lease has not been brought to account within Right of Use Assets.

(a) COVID-19 Rent concession

The Club has applied the practical expedient to all COVID-19 related rent concessions that meet the following conditions:

- a. The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- b. any reduction in lease payments affects only payments originally due on or before 31 March 2022 (for example, a rent concession would meet this condition if it results in reduced lease payments on or before 31 March 2022 and increased lease payments that extend beyond 31 March 2022); and
- c. there is no substantive change to other terms and conditions of the lease.

The practical expedient allows changes in lease payments resulting from the rent concession to be treated as a variable lease payment through the statement of profit or loss and other comprehensive income, rather than as a lease modification.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2022

13 Trade and Other Payables

	2022	2021
	\$	\$
CURRENT		
Trade payables	17,917	9,502
GST payable	42,295	44,355
Superannuation and PAYG	18,856	18,931
Sundry payables and accrued expenses	58,269	91,343
	<u>137,337</u>	<u>164,131</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

CURRENT		
Secured liabilities:		
Finance lease liability	22,792	29,899
Total current borrowings	<u>22,792</u>	<u>29,899</u>
NON-CURRENT		
Secured liabilities:		
Finance lease liability	-	17,586
Total non-current borrowings	<u>-</u>	<u>17,586</u>
Total borrowings	<u>22,792</u>	<u>47,485</u>

Leased liabilities are secured by the underlying leased assets.

15 Other Financial Liabilities

CURRENT		
Amounts received in advance	336,140	248,451
Insurance premium funding	22,365	-
Total	<u>358,505</u>	<u>248,451</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2022

16 Employee Benefits

	2022	2021
	\$	\$
CURRENT		
Long service leave	27,733	32,681
Provision for employee benefits	45,587	54,933
	<u>73,320</u>	<u>87,614</u>
NON-CURRENT		
Long service leave	2,282	2,282

17 Members' Guarantee

The Club is incorporated under the *Corporations Act 2001* and is a Club limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$ 2 each towards meeting any outstandings and obligations of the Club.

18 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Club is \$ 210,096 (2021: \$ 190,875).

19 Contingencies

In the opinion of the Directors, the Club did not have any contingencies at 31 March 2022 (31 March 2021:None).

20 Related Parties

(a) The Club's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year, the total value of transactions with parties related to Directors or employees in their role as key management was Nil (2021: \$69,335).

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2022

21 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 May 2022 by the Board of Directors.

In March 2020, the COVID-19 virus began having a significant impact on the economic environment around world. In Australia, significant impact on the Australian economy were realised, which were partially offset by a series of Government stimulus initiatives. With these initiatives being unwound, the full effects of these impacts are not fully known and may not be known for an extended period.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

22 Statutory Information

The registered office of the company is:

Shortland Waters Golf Club Limited
90 Vale Street
SHORTLAND NSW 2307

The principal place of business is:

Level 1
56 Hudson Street
HAMILTON NSW 2303

SHORTLAND WATERS GOLF CLUB LIMITED
A.B.N 54 001 038 320

INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial report of Shortland Waters Golf Club Limited (the Club), which comprises the balance sheet as at 31 March 2022, the profit and loss, statement of changes in equity, 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 accompanying financial report presents fairly, in all material respects, the financial position of the Company as at 31 March 2022, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with the accounting policies outlined at Note 1 to the financial report.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Management and Those Charged With Governance are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Lambourne Partners



Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



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

A handwritten signature in black ink that reads 'Paul Quealey'.

Paul Quealey
Partner
Lambourne Partners

Dated: 30 May 2022

Level 1, 56 Hudson Street
HAMILTON NSW 2303

SHORTLAND WATERS GOLF CLUB LIMITED
A.B.N 54 001 038 320

COMPILATION REPORT TO SHORTLAND WATERS GOLF CLUB LIMITED

We have compiled the accompanying trading statements based upon the general purposes financial statements of Shortland Waters Golf Club Limited, which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes. These have been prepared in accordance with the Australian Accounting Standards.

The Responsibility of the Directors

The directors of Shortland Waters Golf Club Limited are solely responsible for the information contained in the trading statements and the reliability, accuracy and completeness of the information.

Our Responsibility

On the basis of the information provided by the directors we have compiled the accompanying trading statements in accordance with the financial reporting framework and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these trading statements in accordance with Australian Accounting Standards. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these trading statements. Accordingly, we do not express an audit opinion or a review conclusion on these trading statements.

The trading statements were compiled for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the trading statements.



Paul Quealey
Partner
Lambourne Partners

Dated: 30 May 2022

Level 1, 56 Hudson Street
HAMILTON NSW 2303

Lambourne Partners



Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2022

	2022	2021
	\$	\$
Bar Trading		
Bar - Sales	389,905	309,260
Bar - Rebates	25,614	3,168
	<u>415,519</u>	<u>312,428</u>
Bar - Purchases - Stock	(200,043)	(156,214)
Bar - Superannuation	(12,669)	(14,128)
Bar - Wages	(133,470)	(192,788)
Changes in inventory		5,656
Bar - Advertising & Promotions	(7,230)	(5,444)
Bar - Repairs and Maintenance	(5,916)	(2,659)
Bar - Consumables	(441)	-
Bar - Foxtel Subscription	(578)	-
	<u>(360,347)</u>	<u>(365,577)</u>
Gross Trading	<u>55,172</u>	<u>(53,148)</u>
Poker Machine Trading		
Poker Machines - Clearances	50,383	29,071
Poker Machines - GST Rebate	4,694	2,568
	<u>55,077</u>	<u>31,639</u>
Poker Machine - General Expenses	(387)	-
Poker Machines - Maintenance & Analysis	(2,497)	(2,599)
	<u>(2,884)</u>	<u>(2,599)</u>
Gross Trading	<u>52,193</u>	<u>29,040</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2022

	2022	2021
	\$	\$
Golf Course		
Proam sponsorship Income	-	91
Pro Shop - Retail Sales	229,925	95,269
Pro Shop - Repairs&Hire	25,442	10,364
Pro Shop - Golf Lessons	10,465	4,483
Pro Shop - Food & Beverage Sales	69,590	41,566
Pro Shop - Golf Cart - Visitors Cart Hire	29	-
Golf Course - Tee Sponsorship	20,836	15,682
Golf Course - Green Fees	453,166	364,355
Golf Course - Diesel Fuel Rebate	8,923	9,619
Golf Course - Competition Fees	501,561	404,254
Golf Cart - Reimbursement Cart damage	1,061	-
Golf Cart - Income	274,011	203,840
	1,595,009	1,149,431
Pro Shop - Wages	(196,493)	(181,824)
Pro Shop - Telephone	(2,848)	(2,427)
Pro Shop - Superannuation	(19,305)	(16,585)
Pro Shop - Purchases	(160,440)	(73,355)
Pro Shop - Insurance Claim Purchases	-	(32,615)
Pro Shop - Golf Lesson Costs	(6,785)	(2,157)
Pro Shop - Food & BBQ Expenses	(33,046)	(22,486)
Pro Shop - Advertising and Promotions	(8,382)	(8,225)
Golf Course - Wages	(334,833)	(329,706)
Golf Course - Veterans Competition Fees	(4,077)	(2,733)
Golf Course - Vehicle Rego, Ins & Repairs	(1,018)	(1,277)
Golf Course - Trophies	-	(592)
Golf Course - Superannuation	(30,026)	(29,163)
Golf Course - Subscriptions / Membership	(17,074)	(10,259)
Golf Course - Staff Training	(427)	(1,790)
Golf Course - Repairs Equipment	(22,444)	(11,458)
Golf Course - Repairs & Maintenance	(53,917)	(45,626)
Golf Course - Protective Clothing	(919)	(134)
Golf Course - Ladies Competition Fees	(933)	(1,637)
Golf Course - Greens Equipment Leases	(2,301)	10,318
Golf Course - General Expenses	(4,951)	(8,365)
Golf Course - Fuel & Oil	(21,493)	(20,594)
Golf Course - Electricity	(31,199)	(23,554)
Golf Course - Chemicals / Pesticide	(21,713)	(19,491)
Golf Cart - Repairs & Maintenance	(22,324)	(617)
Golf Cart - Expenses	(12,014)	(8,665)
	(1,008,962)	(845,019)
Gross Trading	586,047	304,412

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2022

	2022	2021
	\$	\$
Food Van		
Food Van - Income	24,481	66,198
	<u>24,481</u>	<u>66,198</u>
Food Van - Advertising and Promotions	(140)	(135)
Food Van - Consumables	(30)	(767)
Food Van - Equipment Rent	(3,236)	(5,184)
Food Van - Expenses	(15,277)	(41,568)
Food Van - Repairs & Maintenance	(730)	(1,301)
Food Van - Superannuation	(1,986)	(4,080)
Food Van - Wages	(21,082)	(43,347)
	<u>(42,481)</u>	<u>(96,381)</u>
Bistro		
Bistro - Income	43,741	-
	<u>43,741</u>	<u>-</u>
Bistro - Advertising and Promotions	(494)	-
Bistro - Coffee Expenses	(949)	-
Bistro - Consumables	(1,761)	-
Bistro - Food Expenses	(23,723)	-
Bistro - Repairs & Maintenance	(418)	-
Bistro - Superannuation	(2,421)	-
Bistro - Wages	(24,812)	-
	<u>(54,578)</u>	<u>-</u>
Gross Trading	<u>(28,837)</u>	<u>(30,183)</u>
TOTAL GROSS TRADING	<u>664,575</u>	<u>250,121</u>
Other Income		
Government Grants	1,656	379,001
Government Grants - Sport	-	2,595
Insurance Claims	-	45,491
Interest Recieved	50	679
Keno - Commissions	5,806	4,693
Memberships - Renewals	363,456	298,359
Memberships- Wine club	109	-
Other Income - Club Events	128	-
Other Income - Donations	1,545	2,182
Other Income - Sponsorship	4,319	3,309
Other Income - Tyro Merchant Fees	137	-
Raffles - Sales	(2,269)	(378)
Sale of an Asset	(290)	2,636
TAB - Agent Commission	(7,668)	(8,189)
	<u>366,979</u>	<u>730,378</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2022

	2022	2021
	\$	\$
Administration and Other Expenses		
Audit Fees	(10,700)	(10,700)
Administration Services	-	(23,815)
Administration - Sundries	(979)	-
Administration - Uniforms	(136)	-
Advertising and Promotion	(1,280)	(2,091)
Amortisation	(94,028)	(82,694)
Assets under ATO Threshold	(392)	(3,116)
Bank Charges	42	160
Bar - Staff Training	-	(868)
Cleaning - Materials/Contractors	(31,527)	(11,878)
Cleaning - Superannuation	(1,071)	(2,295)
Cleaning - Wages	(10,981)	(29,767)
Club Event - Expenses	(5,902)	-
Computer Expenses	(3,219)	(2,707)
Bookkeeping	(49,510)	(50,761)
Depreciation	(28,384)	(28,433)
Directors Expenses	(125)	(221)
Donations	1,150	-
Filing Fee	(1,336)	(170)
Golf Course - Telephone	(2,685)	(4,055)
Hire of Plant & Equipment	-	(400)
House - Amenities	(1,391)	(191)
House - Electricity	(6,496)	(4,906)
House - Gas	(4,123)	(5,497)
House - Repairs & Maintenance	(17,724)	(14,543)
House - Telephone	(2,395)	(3,606)
Insurance	(84,306)	(70,112)
Interest Paid	(13,324)	(15,736)
Keno - Repairs & Maintenance	(1,030)	(1,128)
Land Tax	(17,909)	(9,168)
Legal Costs	(1,102)	(3,238)
Licences	(839)	(316)
Loyalty Redemption Points	(21,433)	(8,013)
Management & Administration - Superannuation	(14,320)	(13,178)
Management & Administration - Wages	(145,037)	(149,347)
Membership-Association/Affiliation Fees	(29,955)	(25,621)
Merchant Fee	(18,590)	(19,330)
Postage	(108)	(453)
Printing & Stationery	(26,431)	(26,054)
Provision for annual leave	9,346	2,158
Provision for Long Serv. Leave	4,948	11,982
Pro Shop - Updated Fitout 2021	(9,077)	-
Rates	(44,064)	(40,592)
Rent	(1)	(1)
Security Costs	(8,815)	(14,563)
Staff - OH&S / Medical costs	(447)	-
Staff Amenities	(164)	(448)
Staff Gifts	(1,817)	(2,003)
Subscriptions	(4,703)	(4,298)
Sundries	(349)	(6)

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2022

	2022	2021
	\$	\$
Till Variances	110	1,067
Uniforms	(1,814)	(1,003)
Waste Removal	(6,735)	(6,726)
Water	(5,200)	(4,800)
Website Expenses	(960)	(4,153)
	<u>(717,318)</u>	<u>(687,634)</u>
Net Profit/(Loss)	<u>314,236</u>	<u>292,866</u>