

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Financial Statements

For the Year Ended 31 March 2023

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Contents

For the Year Ended 31 March 2023

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Directors' Declaration	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Independent Audit Report	24
Compilation Report	25
Detailed Trading Profit or Loss Statement	26

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Directors' Report 31 March 2023

The directors present their report on Shortland Waters Golf Club Limited for the financial year ended 31 March 2023.

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

Robert Piltz

Ross Hartley

David Hogg

John McConnell

Steve Goverd

Les Oliver - Resigned 28 June 2022

Mick Blackford - Resigned 28 June 2022

Phil Murray - Resigned 28 June 2022

Richard Stock - Appointed 28 June 2022

David Busch - Appointed 28 June 2022

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 ensures 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

ABN 54 001 038 320

Directors' Report 31 March 2023

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 \$ 249,845 (2022: \$ 314,236).

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

ABN 54 001 038 320

**Directors' Report
31 March 2023**

Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Functions and Events 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	12	12	-	-	12	12	-	-
Robert Piltz	12	8	-	-	12	11	12	11
John McConnell	12	12	-	-	3	3	9	9
Steve Goverd	12	11	-	-	12	11	-	-
Les Oliver - Resigned 28 June 2022	3	3	-	-	-	-	3	3
Mick Blackford - Resigned 28 June 2022	3	3	3	3	-	-	-	-
Phil Murray - Resigned 28 June 2022	3	3	-	-	-	-	3	3
David Hogg	12	12	3	3	9	9	-	-
Richard Stock - Appointed 28 June 2022	9	9	-	-	-	-	9	-
Ross Hartley	12	9	16	16	-	-	-	-
David Busch - Appointed 28 June 2022	9	5	-	-	-	-	9	9

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 2023 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 29 May 2023

SHORTLAND WATER 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 CLIENT NAME PTY LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2023 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: 29 May 2023

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 2023 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 29 May 2023

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 March 2023

		2023	2022
	Note	\$	\$
Revenue	4	2,714,399	2,509,160
Finance income	5	6,360	50
Other income	4	75,756	14,709
Changes in inventories of finished goods and work in progress		42,588	42,362
Raw materials and consumables used		(634,563)	(490,768)
Employee benefits expense		(1,046,725)	(934,212)
Depreciation and amortisation expense		(107,749)	(122,412)
Other expenses		(781,561)	(691,329)
Finance expenses	5	(18,660)	(13,324)
Profit before income tax		249,845	314,236
Income tax expense	1(b)	-	-
Profit for the year		249,845	314,236
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		249,845	314,236

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Statement of Financial Position

As At 31 March 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	1,224,375	1,065,795
Trade and other receivables	8	47,566	116,077
Inventories	9	141,296	96,008
Other assets	11	48,971	44,774
TOTAL CURRENT ASSETS		<u>1,462,208</u>	<u>1,322,654</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	<u>635,769</u>	288,566
TOTAL NON-CURRENT ASSETS		<u>635,769</u>	288,566
TOTAL ASSETS		<u>2,097,977</u>	<u>1,611,220</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	211,655	137,337
Borrowings	14	51,931	22,792
Lease liabilities		43,023	71,363
Employee benefits	16	88,076	73,320
Other financial liabilities	15	358,206	358,505
TOTAL CURRENT LIABILITIES		<u>752,891</u>	663,317
NON-CURRENT LIABILITIES			
Borrowings	14	185,530	-
Lease liabilities		37,862	79,066
Employee benefits	16	5,294	2,282
TOTAL NON-CURRENT LIABILITIES		<u>228,686</u>	81,348
TOTAL LIABILITIES		<u>981,577</u>	744,665
NET ASSETS		<u>1,116,400</u>	<u>866,555</u>
EQUITY			
Retained earnings		<u>1,116,400</u>	866,555
TOTAL EQUITY		<u>1,116,400</u>	<u>866,555</u>

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Statement of Changes in Equity For the Year Ended 31 March 2023

	Retained Earnings	Total
	\$	\$
Balance at 1 April 2022	866,555	866,555
Profit/(loss) for the year	249,845	249,845
Total other comprehensive income for the period	-	-
Balance at 31 March 2023	1,116,400	1,116,400
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

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Statement of Cash Flows For the Year Ended 31 March 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,133,819	2,797,724
Payments to suppliers and employees	(2,623,973)	(2,393,376)
Interest received	6,360	50
Finance costs	(18,660)	(10,437)
Net cash provided by/(used in) operating activities	<u>497,546</u>	<u>393,961</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	10,445
Purchase of property, plant and equipment	21 (143,203)	(58,701)
Net cash provided by/(used in) investing activities	<u>(143,203)</u>	<u>(48,256)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of lease liabilities	(195,763)	(135,138)
Net cash provided by/(used in) financing activities	<u>(195,763)</u>	<u>(135,138)</u>
Net increase/(decrease) in cash and cash equivalents held	158,580	210,567
Cash and cash equivalents at beginning of year	1,065,795	855,228
Cash and cash equivalents at end of financial year	7 <u>1,224,375</u>	<u>1,065,795</u>

The accompanying notes form part of these financial statements.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

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.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

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.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

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.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

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

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements

For the Year Ended 31 March 2023

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

ABN 54 001 038 320

Notes to the Financial Statements

For the Year Ended 31 March 2023

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.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements

For the Year Ended 31 March 2023

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 2023, 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

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

3 Critical Accounting Estimates and Judgments (Cont'd)

Estimation of useful lives of assets

The Club 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

	2023	2022
	\$	\$
Sales revenue:		
- Bar income	558,706	415,519
- Golf income	1,074,939	1,253,563
- Food van income	-	24,481
- Bistro income	229,597	43,741
- Membership income	370,635	363,456
- Keno/TAB income	10,880	10,819
- Pro shop income	394,807	342,504
- Poker machine income	74,835	55,077
Total Revenue	2,714,399	2,509,160
Other Income		
- Sponsorship Income	32,246	4,319
- Government grants and support	-	1,656
- Other income	40,210	8,734
- Donations	3,300	-
	75,756	14,709

5 Finance Income and Expenses

Finance income

- Interest Income	6,360	50
-------------------	-------	----

Finance expenses

- Interest expense	18,660	13,324
--------------------	--------	--------

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

6 Result for the Year

The result for the year includes the following specific expenses:

	2023	2022
	\$	\$
Net loss on disposal of property, plant and equipment	-	290
Other expenses:		
- Accounting, bookkeeping, consulting and audit fees	46,135	60,210
- Merchant fees	22,897	18,590
- Electricity and water	42,079	37,695
- Insurance	67,581	84,306
- Repairs and maintenance	192,724	184,638
- Subscriptions	45,431	52,310

7 Cash and Cash Equivalents

Cash on hand	20,361	20,350
Bank balances	1,204,014	1,045,445
	<u>1,224,375</u>	<u>1,065,795</u>

8 Trade and other receivables

CURRENT		
Trade receivables	42,392	107,555
Other receivables	5,174	8,522
	<u>47,566</u>	<u>116,077</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	141,296	96,008
Provision for writedowns	-	-
	<u>141,296</u>	<u>96,008</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

10 Property, plant and equipment

	2023	2022
	\$	\$
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	977,155	558,132
Accumulated depreciation	(473,713)	(442,910)
Total plant and equipment	<u>503,442</u>	<u>115,222</u>
Poker Machines		
At cost	119,520	78,840
Accumulated depreciation	(60,486)	(43,373)
Total Poker Machine	<u>59,034</u>	<u>35,467</u>
Total plant and equipment	<u>562,476</u>	<u>150,689</u>
RIGHT-OF-USE		
Right-of-Use - Plant and Equipment		
At cost	223,949	352,738
Accumulated amortisation	(150,656)	(214,861)
Total property, plant and equipment	<u>635,769</u>	<u>288,566</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 2023				
Balance at the beginning of year	115,222	35,467	137,877	288,566
Additions	419,023	40,680	-	459,703
Depreciation and amortisation expense	(30,803)	(17,113)	(59,833)	(107,749)
Other changes, movements as a result of AASB 16	-	-	(4,751)	(4,751)
Balance at the end of the year	<u>503,442</u>	<u>59,034</u>	<u>73,293</u>	<u>635,769</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

11 Other Assets

	2023	2022
	\$	\$
CURRENT		
Prepayments	48,971	44,774

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.

13 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	46,564	17,917
GST payable	67,675	42,295
Superannuation and PAYG	13,623	18,856
Sundry payables and accrued expenses	83,793	58,269
	<u>211,655</u>	<u>137,337</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.

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

14 Borrowings

CURRENT

Secured liabilities:

Finance lease liability

51,931 22,792

Total current borrowings

51,931 22,792

NON-CURRENT

Secured liabilities:

Finance lease liability

185,530 -

Total non-current borrowings

185,530 -

Total borrowings

237,461 22,792

Leased liabilities are secured by the underlying leased assets.

15 Other Financial Liabilities

CURRENT

Amounts received in advance

358,206 336,140

Insurance premium funding

- 22,365

Total

358,206 358,505

16 Employee Benefits

2023 **2022**

\$ **\$**

CURRENT

Long service leave

21,502 27,733

Annual Leave

66,574 45,587

88,076 73,320

NON-CURRENT

Long service leave

5,294 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 \$ 104,167 (2022: \$ 210,096).

19 Contingencies

In the opinion of the Directors, the Club did not have any contingencies at 31 March 2023 (31 March 2022:None).

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

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 (2022: NIL).

21 Cash Flow Information

(a) Non-cash financing and investing activities

	2023	2022
	\$	\$
Purchase of golf carts through finance lease	316,500	-
	316,500	-

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Notes to the Financial Statements For the Year Ended 31 March 2023

22 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations or the state of affairs of the Club in future financial years.

23 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 WATER GOLF CLUB LIMITED
A.B.N 54 001 038 320

INDEPENDENT AUDIT REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial report of Shortland Waters Golf Club Limited (the Club), which comprises the balance sheet as at 31 March 2023, 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 Club as at 31 March 2023, and its financial performance, changes in equity and its cash flows for the year then ended in accordance with *Australian Accounting Standards - Reduced Disclosure Requirements* and the *Corporations Act 2001*.

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 Club 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 Club, 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 Club'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 Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club'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 Club'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 Club'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 Club 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.



Paul Quealey
Partner
Lambourne Partners

Dated: 29 May 2023

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 2023, 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

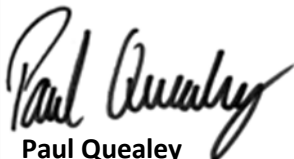
On the basis of the information provided by the directors we have compiled the accompanying trading statements in accordance with the financial reporting framework and APES 315 *Compilation of Financial Information*.

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: 29 May 2023

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 2023

	2023	2022
	\$	\$
Bar Trading		
Bar - Sales	535,233	389,905
Bar - Rebates	23,473	25,614
	<u>558,706</u>	<u>415,519</u>
Bar - Purchases - Stock	(295,392)	(200,043)
Bar - Superannuation	(18,148)	(12,669)
Bar - Wages	(153,531)	(133,470)
Changes in inventory	42,588	-
Bar - Advertising & Promotions	(10,122)	(7,230)
Bar - Repairs and Maintenance	(5,381)	(5,916)
Bar - Consumables	(19,891)	(441)
Bar - Sundries	(24,240)	-
Bar - Subscription	(19,220)	(578)
	<u>(503,337)</u>	<u>(360,347)</u>
Gross Trading	<u>55,369</u>	<u>55,172</u>
Poker Machine Trading		
Poker Machines - Clearances	68,671	50,383
Poker Machines - GST Rebate	6,164	4,694
	<u>74,835</u>	<u>55,077</u>
Poker Machine - General Expenses	-	(387)
Poker Machines - Maintenance & Analysis	(6,393)	(2,497)
	<u>(6,393)</u>	<u>(2,884)</u>
Gross Trading	<u>68,442</u>	<u>52,193</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2023

	2023	2022
	\$	\$
Golf Course		
Proam sponsorship Income	-	-
Pro Shop - Retail Sales	254,657	229,925
Pro Shop - Repairs&Hire	19,618	25,442
Pro Shop - Golf Lessons	19,656	10,465
Pro Shop - Food & Beverage Sales	87,249	69,590
Pro Shop - Golf Cart - Visitors Cart Hire	134,881	29
Golf Course - Tee Sponsorship	-	20,836
Golf Course - Green Fees	469,556	453,166
Golf Course - Diesel Fuel Rebate	3,624	8,923
Golf Course - Competition Fees	354,425	501,561
Golf Cart - Reimbursement Cart damage	330	1,061
Golf Cart - Income	139,188	274,011
	1,483,184	1,595,009
Pro Shop - Wages	(186,581)	(196,493)
Pro Shop - Telephone	-	(2,848)
Pro Shop - Superannuation	(18,918)	(19,305)
Pro Shop - Purchases	(198,888)	(160,440)
Pro Shop - Insurance Claim Purchases	-	-
Pro Shop - Golf Lesson Costs	(16,462)	(6,785)
Pro Shop - Food & BBQ Expenses	(36,263)	(33,046)
Pro Shop - Sundries	(9,818)	-
Pro Shop - Advertising and Promotions	(2,291)	(8,382)
Golf Course - Wages	(365,125)	(334,833)
Golf Course - Veterans Competition Fees	(5,664)	(4,077)
Golf Course - Vehicle Rego, Ins & Repairs	(1,988)	(1,018)
Golf Course - Trophies	-	-
Golf Course - Superannuation	(29,774)	(30,026)
Golf Course - Subscriptions / Membership	-	(17,074)
Golf Course - Staff Training	(317)	(427)
Golf Course - Repairs Equipment	6,966	(22,444)
Golf Course - Repairs & Maintenance	(80,603)	(53,917)
Golf Course - Protective Clothing	(2,492)	(919)
Golf Course - Ladies Competition Fees	(1,194)	(933)
Golf Course - Greens Equipment Leases	-	(2,301)
Golf Course - General Expenses	(1,821)	(4,951)
Golf Course - Fuel & Oil	(27,725)	(21,493)
Golf Course - Electricity	(9,663)	(31,199)
Golf Course - Chemicals / Pesticide	(48,304)	(21,713)
Golf Cart - Repairs & Maintenance	(5,501)	(22,324)
Golf Cart - Expenses	(5,424)	(12,014)
	(1,047,850)	(1,008,962)
Gross Trading	435,334	586,047

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2023

	2023	2022
	\$	\$
Food Van		
Food Van - Income	-	24,481
	<u>-</u>	<u>24,481</u>
Food Van - Advertising and Promotions	-	(140)
Food Van - Consumables	-	(30)
Food Van - Equipment Rent	-	(3,236)
Food Van - Expenses	-	(15,277)
Food Van - Repairs & Maintenance	-	(730)
Food Van - Superannuation	-	(1,986)
Food Van - Wages	-	(21,082)
	<u>-</u>	<u>(42,481)</u>
Bistro		
Bistro - Income	229,597	43,741
	<u>229,597</u>	<u>43,741</u>
Bistro - Advertising and Promotions	(2,272)	(494)
Bistro - Coffee Expenses	-	(949)
Bistro - Consumables	(3,463)	(1,761)
Bistro - Food Expenses	(97,627)	(23,723)
Bistro - Repairs & Maintenance	(15,911)	(418)
Bistro - Superannuation	(14,370)	(2,421)
Bistro - Wages	(125,794)	(24,812)
	<u>(259,437)</u>	<u>(54,578)</u>
Gross Trading	<u>(29,840)</u>	<u>(28,837)</u>
TOTAL GROSS TRADING	<u>529,305</u>	<u>664,575</u>
Other Income		
Government Grants	-	1,656
Interest Recieved	6,360	50
Keno - Commissions	9,583	5,806
Memberships - Renewals	370,635	363,456
Memberships- Wine club	-	109
Other Income - Club Events	6,975	128
Other Income - Donations	3,375	1,545
Other Income - Sponsorship	26,946	4,319
Other Income - Tyro Merchant Fees	17,138	137
Raffles - Sales	(2,371)	(2,269)
Sale of an Asset	-	(290)
TAB - Agent Commission	1,297	(7,668)
	<u>439,938</u>	<u>366,979</u>

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2023

	2023	2022
	\$	\$
Administration and Other Expenses		
Accountancy and Audit Fees	(20,475)	(10,700)
Administration - Staff training	(619)	-
Administration - Subscriptions	(30,626)	-
Administration - Sundries	(2,814)	(979)
Administration - Uniforms	(342)	(136)
Advertising and Promotion	(5,006)	(1,280)
Amortisation	(59,833)	(94,028)
Assets under ATO Threshold	(1,659)	(392)
Bad Debts	(2,180)	-
Bank Charges	(451)	42
Bar - Staff Training	-	-
Cleaning - Materials/Contractors	(41,371)	(31,527)
Cleaning - Superannuation	-	(1,071)
Cleaning - Wages	-	(10,981)
Club Event - Expenses	-	(5,902)
Computer Expenses	(3,012)	(3,219)
Consultants	(5,944)	-
Bookkeeping	(25,660)	(49,510)
Depreciation	(47,916)	(28,384)
Directors Expenses	(66)	(125)
Donations	-	1,150
Filing Fee	(533)	(1,336)
Golf Course - Telephone	-	(2,685)
Hire of Plant & Equipment	-	-
House - Amenities	(644)	(1,391)
House - Electricity	(8,896)	(6,496)
House - Gas	(5,213)	(4,123)
House - Repairs & Maintenance	(23,085)	(17,724)
House - Telephone	(3,407)	(2,395)
Insurance	(67,581)	(84,306)
Interest Paid	(18,660)	(13,324)
Keno - Repairs & Maintenance	(1,246)	(1,030)
Land Tax	(17,955)	(17,909)
Legal Costs	-	(1,102)
Licences	(576)	(839)
Loyalty Redemption Points	(6,796)	(21,433)
Management & Administration - Superannuation	(13,279)	(14,320)
Management & Administration - Wages	(103,437)	(145,037)
Membership-Association/Affiliation Fees	(26,346)	(29,955)
Merchant Fee	(22,897)	(18,590)
Postage	-	(108)
Printing & Stationery	(11,005)	(26,431)
Provision for annual leave	(20,987)	9,346
Provision for Long Serv. Leave	3,219	4,948
Pro Shop - Updated Fitout 2021	-	(9,077)
Rates	(26,802)	(44,064)
Recruitment expenses	(33,879)	-
Rent	-	(1)
Security Costs	(2,866)	(8,815)
Sponsors Contra	(10,965)	-

Shortland Waters Golf Club Limited

ABN 54 001 038 320

Detailed Trading Profit or Loss Statement

For the Year Ended 31 March 2023

	2023	2022
	\$	\$
Staff - OH&S / Medical costs	(888)	(447)
Staff Amenities	-	(164)
Staff Gifts	(2,959)	(1,817)
Subscriptions	(11,542)	(4,703)
Sundries	(8,333)	(349)
Till Variances	(14,948)	110
Uniforms	-	(1,814)
Waste Removal	(6,218)	(6,735)
Water	(2,700)	(5,200)
Website Expenses	-	(960)
	<u>(719,398)</u>	<u>(717,318)</u>
Net Profit/(Loss)	<u>249,845</u>	<u>314,236</u>