

# **CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**Financial Report For The Year Ended  
30 June 2021**

# **Cabarita Beach Bowls & Sports Club Limited**

**ABN: 70 000 998 863**

## **Financial Report for the year ended 30 June 2021**

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**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**DIRECTORS' REPORT**

Your directors present this report on the company for the financial year ended 30 June 2021.

**Directors**

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

Ian Crabb (resigned 11/11/2020)  
Greg Dryden  
Greg Goode  
Kearen Finn (non-bowling member)  
John Klose  
Wayne Moore (non-bowling member)  
Margery Turner

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 the company during the financial year was:

- To provide members with lawn bowling and other sporting activities

**Short-term and Long-term Objectives**

The company's short-term objectives are to:

- Develop an annual budget
- Continually monitor the financial activities to ensure the continued viability of the club (e.g., water & electricity costs, poker machine income, beverage income etc).
- Monitor the environment of the club to ensure that we are providing an inviting and safe place for our members, visitors, and staff
- Provide adequate and appropriate sponsorship to the sub-clubs to ensure:
  - the continuation of sporting activities for club members
  - the extension of involvement of members in the club
- Create a welcoming and friendly atmosphere for our members, visitors, and staff.
- Support local sporting groups and encourage them to make use of our club facilities.
- Monitor and advertise the distribution of Club GRANTS funds to local organisations.
- Continue to seek major sponsorship for bowls tournaments.
- Continue to submit applications for State / Zone / District Bowling Carnivals.
- Increase the number of visits-in from other bowling clubs.

The company's long-term objectives are to:

- Continually review our facilities about improving the outdoor & indoor ambience of the Club for our members, visitors, and staff.
- Continue discussions that will ensure the continued development and viability of the Cabarita Beach Bowls & Sports Club.

## **CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

### **DIRECTORS' REPORT (Continued)**

#### **Strategies**

To achieve its stated objectives, the company has adopted the following strategies:

- Monthly review of financial accounts.
- Monthly reports to the Board on Workplace Health & Safety issues. Reports actioned if necessary.
- Continue to establish and improve communication with other community organisations.
- Support and encourage the professional development of staff to create a friendly and welcoming environment within the Club.
- General Manager and Finance Committee develop an annual budget and a major expenditure plan for Board approval.
- Encourage local organisations to make application for Club GRANTS funds.
- Communicate with sub-clubs and acknowledge their activities.
- Regularly monitor the Club's utilities use.
- Identify and implement projects from the major expenditure plan that improve the ambience for the patrons and staff of the club (e.g., Main Bar, Western veranda).

#### **Performance Indicators**

- Satisfactory operating profit
- Steps taken to improve the financial viability of Club Ltd
- WHS Reports completed and acted on
- Club GRANTS allocations advertised to community
- Community groups regularly accessing our facilities
- Sub-clubs satisfied with their sponsorship
- Steps taken to address savings in water and electricity use
- Good reports on staff and club performance
- Identified projects started/completed
- Additional sponsorships for bowls tournaments
- Visits-In encouraged, supported, and maintained

#### **Information on Directors**

Ian Crabb	—	Chairman
Qualifications	—	Member of the Board since 30/09/2008 Resigned 11/11/2020
Special Responsibilities	—	Finance Committee, Strategic Planning & Development, Disciplinary Committee, Poker Machines, WHS
Greg Dryden	—	Director
Qualifications	—	Member of the Board since 26/4/2016
Special Responsibilities	—	Greens, Poker Machines, Citation Committee
Kearen Finn	—	Director
Qualifications	—	Member of the Board since 27/4/2017
Special Responsibilities	—	Finance, Disciplinary Committee, Communications

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED****ABN: 70 000 998 863****DIRECTORS' REPORT****(Continued)****Information on Directors (Continued)**

Greg Goode	—	Deputy Chairman / Chair since 12/11/2020
Qualifications	—	Member of the Board since 7/1/2011
Special Responsibilities	—	Finance Committee, Citation Committee, Poker Machines
John Klose	—	Director
Qualifications	—	Member of the Board since 24/5/2017
Special Responsibilities	—	Finance Committee, Strategic Planning & Development, Poker Machines
Margery Turner	—	Director
Qualifications	—	Member of the Board since 27/4/2017
Special Responsibilities	—	Strategic Planning & Development, Raffles
Wayne Moore	—	Director
Qualifications	—	Member of the Board since 9/11/2019
Special Responsibilities	—	Strategic Planning and Development, Sub Club Liaison

**Meetings of Directors**

During the financial year, twelve (12) regular meetings and one (1) special meeting of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Ian Crabb (resigned 11/11/20)	5	3
Greg Dryden	13	13
Kearen Finn	13	13
Greg Goode	13	13
John Klose	13	12
Wayne Moore	13	13
Margery Turner	13	10

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company. At 30 June 2021, the total amount that members of the company are liable to contribute if the company is wound up is \$5,328 (2020: \$4,925).

**Core – Non-Core Property as required under Section 41J of The Registered Clubs Act**

The Directors consider the Club's defined premises and all its facilities to be Core Property. The directors do not consider the Club to have Non-Core Property.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**DIRECTORS' REPORT**  
**(Continued)**

**Core – Non-Core Property as required under Section 41J of The Registered Clubs Act (Continued)**

Section 41J of the Act defines core property as meaning any real property owned or occupied by the Club that comprises: -

- a) the defined premises of the club, or
- b) any facility provided by the club for use of its members and their guests' or
- c) any other property declared, by resolution passed by most of the members present at a general meeting of the ordinary members of the club, not to be core property of the Club.

Non-core property is defined as meaning any real property owned or occupied by the Club that is not core property.

**Significant Changes in State of Affairs**

Other than as outlined in elsewhere in these financial statements in relation to the ongoing COVID-19 pandemic, there have been no significant changes in the state of affairs of the Club during the year.

**Events After the Reporting Date**

Other than as outlined elsewhere in these financial statements, including Note 11 (Events occurring after balance date and going concern (including the impact of COVID-19)), there have been no matters or circumstances that 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.

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 5 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



Greg Goode  
Director

Dated this 30<sup>th</sup> day of September 2021

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED  
AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

- i. no contraventions of the auditor's 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

*WFD Assurance Services*

**WFD Assurance Services**

Santos Place  
Level 27, 32 Turbot Street  
Brisbane  
Dated: 30 September 2021

*Lianne Smith*

**LR Smith  
Principal**

***Redefining Quality***

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Liability limited by a scheme approved under Professional Standards Legislation



**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 \$	2020 \$
Revenue	2	5,893,763	4,171,661
Other income	2	<u>329,500</u>	<u>358,189</u>
Total revenue and other income		6,223,263	4,529,850
Employee benefits expense	3(a)	(1,711,174)	(1,476,865)
Depreciation and amortisation expense	3(a)	(387,936)	(377,755)
Interest expense	3(a)	(26,741)	(19,466)
Cost of sales	3(a)	(2,074,714)	(1,287,391)
Other expenses	3(b)	<u>(1,586,820)</u>	<u>(1,564,685)</u>
Total expenditure		(5,787,385)	(4,726,162)
<b>Profit/(loss) before income tax</b>		<u>435,877</u>	<u>(196,312)</u>
Tax expense	1(j)	-	-
<b>Profit/(loss) for the year</b>		<u><u>435,877</u></u>	<u><u>(196,312)</u></u>
<b>Other comprehensive for the year, net of income tax</b>		-	-
<b>Total comprehensive income/(loss) for the year</b>		<u><u>435,877</u></u>	<u><u>(196,312)</u></u>

The accompanying notes form part of these financial statements.



**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2021**

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	1,020,285	404,725
Trade and other receivables	5	11,069	148,455
Inventories		103,644	96,188
Prepayments		8,503	5,656
<b>Total current assets</b>		<u>1,143,501</u>	<u>655,024</u>
<b>Non-current assets</b>			
Property, plant and equipment	6	5,263,980	5,452,080
Intangible assets	7	104,417	104,417
<b>Total non-current assets</b>		<u>5,368,397</u>	<u>5,556,497</u>
<b>TOTAL ASSETS</b>		<u>6,511,898</u>	<u>6,211,521</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	8	402,123	509,859
Borrowings	9	82,001	12,371
Provisions	10	141,345	150,797
<b>Total current liabilities</b>		<u>625,469</u>	<u>673,027</u>
<b>Non-current liabilities</b>			
Borrowings	9	438,460	503,245
Provisions	10	11,471	34,628
<b>Total non-current liabilities</b>		<u>449,931</u>	<u>537,873</u>
<b>TOTAL LIABILITIES</b>		<u>1,075,400</u>	<u>1,210,900</u>
<b>NET ASSETS</b>		<u>5,436,498</u>	<u>5,000,621</u>
<b>EQUITY</b>			
Retained surplus		3,612,589	3,176,711
Reserves	16	1,823,910	1,823,910
<b>TOTAL EQUITY</b>		<u>5,436,499</u>	<u>5,000,621</u>

The accompanying notes form part of these financial statements.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2021**

	Retained Earnings	Revaluation Reserve	Total
	\$	\$	\$
<b>Balance - beginning of prior year</b>	3,373,023	1,823,910	5,196,933
<b>Comprehensive Income</b>			
Loss for the year	(196,312)	-	(196,312)
<b>Total comprehensive income attributable to the entity</b>	(196,312)	-	(196,312)
<b>Balance - end of prior year</b>	3,176,711	1,823,910	5,000,621
<b>Balance - beginning of current year</b>	3,176,711	1,823,910	5,000,621
<b>Comprehensive Income</b>			
Profit for the year	435,877	-	435,877
<b>Total comprehensive income attributable to the entity</b>	435,877	-	435,877
<b>Balance - end of current year</b>	3,612,588	1,823,910	5,436,498

The accompanying notes form part of these financial statements.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2021**

	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from members, tenants, patrons and government		6,951,438	4,764,409
Payments to suppliers, employees and ATO		(6,115,489)	(4,478,312)
Interest paid		(26,741)	(19,466)
Interest received		1,344	591
Net cash generated from operating activities	19	<u>810,552</u>	<u>267,222</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment	6(c)	(123,220)	(631,149)
Proceeds from sale of property, plant and equipment		5,500	35,470
Net cash used in investing activities		<u>(117,720)</u>	<u>(595,679)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings - installments	9(a)	(60,273)	(124,398)
Repayment of borrowings - loan		(16,999)	-
Proceeds from borrowings		-	503,245
Repayment of borrowings - hp arrangements		-	(1,268)
Net cash from/(used in) financing activities		<u>(77,272)</u>	<u>377,579</u>
Net increase in cash held		615,560	49,122
Cash on hand at beginning of the financial year		404,725	355,603
Cash on hand at end of the financial year	4	<u>1,020,285</u>	<u>404,725</u>

The accompanying notes form part of these financial statements.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**

**Note 1            Summary of Significant Accounting Policies**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 30<sup>th</sup> September 2021 by the directors of the company.

**(a) Revenue**

Gaming subsidies are recognised in the period receipted, which aligns with the timeframe the poker machines are patronised.

Revenue from gaming is derived from poker machines and is recognised 'net' of payouts to players.

Revenue from bar, bottleshop and coffee shop sales is recognised when beverage is acquired by patrons.

Revenue from raffles is derived from ticket sales and is recognised in the period the raffle is drawn.

Sponsorship revenue is recognised upon invoice to the sponsor; this amount is determined in accordance with the amount pledged and the timing with which the agreed pledge will flow to the Company.

Revenue from members subscriptions is aligned with the period the members utilise the facilities provided and paid for. Those received in advance for future years are deferred until those timeframes are reached and are recognised, in the meanwhile, as a liability in the statement of financial position.

Revenue from mat fees is recognised in the period the bowling green is used by playing patrons for such purposes. The receipt of fees and playing of bowls usually occurs in the same timeframe.

Rent received from the use of company facilities is recognised in accordance with negotiated lease agreements. The periods recognised equate to those of the financial year under review. Rent received in advance for future years is deferred until those timeframes are reached and is recognised, in the meanwhile, as a liability in the statement of financial position.

Commission revenue derived from patronising the ATM, Keno and TAB facilities provided, are recognised in the period it is earned.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

**(Continued)**

**Note 1      Summary of Significant Accounting Policies (continued)**

**(a) Revenue (continued)**

Revenues from promotional rebates are recognised in the period they are earned, per the negotiated contracts.

Donations and bequests are recognised as revenue when received.

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

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

**(b) Inventories**

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

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

**(c) Property, Plant and Equipment**

**Land**

The valuation model is applied to land.

**Buildings**

The valuation model is applied to buildings. The fair value of buildings is usually determined from market-based evidence by appraisal. However, it is evident that there is very little or no market-based evidence of value because company buildings are rarely sold within a reasonable radius of Cabarita.

The Accounting Standards suggest that, in the absence of market-based evidence, the depreciated replacement cost approach may be used to estimate fair value. This has been used. Subsequent additions are measured at cost.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in the statement of comprehensive income.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are initially recognised and measured at the fair value of the asset at the date it is acquired.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(c) Property, Plant and Equipment (continued)**

**Plant and Equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Plant and equipment	5 - 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

**(d) Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

**(e) Financial Instruments**

**Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021  
(Continued)**

**Note 1      Summary of Significant Accounting Policies (continued)**

**(e) Financial Instruments (continued)**

**Initial recognition and measurement (continued)**

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss.

**Classification and subsequent measurement**

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest method. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment (loss allowance), and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

**(i) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

**(ii) Financial liabilities**

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

**Impairment**

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired.

**Derecognition**

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**(f) Impairment of Assets**

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.



**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 1            Summary of Significant Accounting Policies (continued)**

**(g) Employee Benefits**

Employee benefit obligations are presented as current liabilities if the organisation does not have an unconditional/vested right to defer settlement for at least 12 months after the year end, irrespective of when the actual settlement is expected to take place and are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

**(i) Annual leave**

Annual leave shall be presented as a current liability, notwithstanding that historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

**(ii) Long service leave**

Long service leave shall be presented as a current liability, to the extent that employees have a vested right there to, notwithstanding that their expectations or historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

Long service leave shall be presented as a non-current liability, to the extent that employees do not have a vested right thereto.

Long service leave is accrued at the rate of pay that is expected to be in force when it is taken and then discounted back to current present value. This only applies to non-current liabilities.

**Retirement benefit obligations**

*Defined contribution superannuation benefits*

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

**(h) Cash and Cash Equivalents**

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

**(i) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021  
(Continued)**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(i) Goods and Services Tax (GST) (continued)**

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

**(j) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

**(k) Intangible Assets**

**Poker Machine Entitlements**

Poker machine entitlements are recorded at cost. They are assessed annually for impairment.

**(l) Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

**(m) Comparative Figures**

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

**(n) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the entity during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(o) Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

**Key estimates**

*Valuation of freehold land and buildings* – refer Note 6.

*Impairment of property, plant and equipment and intangible assets* – refer Note 6 and Note 7

*Long Service Leave Entitlement* - assessments are made on the probability of staff taking long service leave and the provisions structured accordingly. Refer Note 10.

**(p) Economic Dependence**

Cabarita Beach Bowls & Sports Club Limited is dependent on the members and patrons for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the members and patrons will not continue to support Cabarita Beach Bowls & Sports Club Limited.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 1 Summary of Significant Accounting Policies (continued)**

**(q) Change in Accounting Policy**

In previous financial years, the Club prepared general purpose financial statements in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The Club determined to early-adopt Australian Accounting Standards – Simplified Disclosures for the year ended 30 June 2021.

There were no changes to the recognition criteria or basis of measurement for amounts reported in the Club's financial statements compared to prior years, however some changes in disclosure have occurred.

**Note 2 Revenue and Other Income**

Revenue	Note	2021 \$	2020 \$
Revenue from government grants and operating activities			
— Gaming		2,137,379	1,511,717
— Bar sales		1,325,836	1,048,850
— Restaurant sales	2(a)	1,050,111	412,778
— Bottleshop sales		551,124	506,542
— Coffee shop sales		310,690	211,787
— Functions, promotional rebates, mat fees etc		253,821	185,617
— Commission		123,426	95,402
— Sub companys		44,261	88,836
— company raffles		44,288	53,254
— Member subscriptions		33,071	33,169
— Government subsidy		17,180	17,180
— Bowls shop sales		1,232	3,443
	19	5,892,419	4,168,575
Other revenue			
— Interest received		1,344	591
— Rent received		-	2,495
		1,344	3,086
<b>Total revenue</b>		5,893,763	4,171,661
<b>Other income</b>			
— Federal government Jobkeeper subsidy	19	304,500	273,000
— Federal government cash flow boost subsidy	19	25,000	50,000
— Gain on disposal of property, plant and equipment		-	35,189
<b>Total other income</b>		329,500	358,189
<b>Total revenue and other income</b>		6,223,263	4,529,850

(a) Revenue from restaurant sales has increased from the prior year due to a new financial arrangement put in place in the current year. Related costs are disclosed in note 3a.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021  
(Continued)**

**Note 3 Expenses**

	<b>Note</b>	<b>2021 \$</b>	<b>2020 \$</b>
<b>(a) Expenses</b>			
Employee benefits expense:			
— Employee benefits expense including contributions to defined contribution superannuation funds		1,711,174	1,476,865
— Employee on-costs	3(b)	98,216	82,551
Total employee benefits expense		<u>1,809,390</u>	<u>1,559,416</u>
Depreciation and amortisation:			
— Land and buildings		130,634	115,793
— Plant and equipment		257,302	261,962
Total depreciation and amortisation		<u>387,936</u>	<u>377,755</u>
Finance costs:			
— interest expense on financial liabilities		26,741	19,466
Directors' honorariums		6,338	13,750
Cost of sales			
— Restaurant	3(1)	908,381	342,406
— Bar		536,997	423,232
— Bottleshop		441,406	396,387
— Coffee shop		187,497	121,383
— Bowls shop		433	3,983
	19	<u>2,074,714</u>	<u>1,287,391</u>
 (1) Restaurant cost of sales has increased from the prior year due to a new financial arrangement put in place in the current year. Related revenue is disclosed in note 2.			
<b>(b) Other</b>			
— Poker machine expenses		370,858	278,589
— Repairs and maintenance		173,907	127,145
— Members expenses		127,847	99,710
— Electricity		99,209	99,863
— Employee on-costs	3(a)	98,816	82,551
— Cleaning		75,151	56,416
— Consultant and marketing fees		64,212	52,743
— Insurance		61,976	57,380
— Accounting & auditing services		59,806	53,533
— Advertising		53,280	59,652
— Sub companies		48,098	102,844
— Company raffles		42,111	65,163
— Donations and CDSE		29,054	36,818
— Entertainment		24,086	147,574
— Other operating expenses		258,409	244,704
	19	<u>1,586,820</u>	<u>1,564,685</u>

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 4 Cash and Cash Equivalents**

	Note	2021 \$	2020 \$
<b>Current</b>			
Cash on hand		141,690	116,808
Cheque account		697,952	182,607
Cash Maximiser account		57,208	77,337
Sub Clubs		123,435	27,973
Total cash on hand as stated in the statement of financial position and statement of cash flows	14	<u>1,020,285</u>	<u>404,725</u>

**Note 5 Trade and Other Receivables**

<b>Current</b>			
Trade receivables		11,069	11,455
Federal Jobkeeper subsidy receivable	19	-	87,000
ATO Cash flow boost receivable	19	-	50,000
Total current accounts receivable and other debtors	14	<u>11,069</u>	<u>148,455</u>

**Note 6 Property, Plant and Equipment**

**LAND AND BUILDINGS**

Freehold land:

— Directors valuation	6(a)	900,000	900,000
Total land		<u>900,000</u>	<u>900,000</u>

Buildings:

— Directors' valuation	6(b)	3,304,452	3,304,452
— Additions at cost	6(b)	355,849	355,849
— Less accumulated depreciation		(466,724)	(336,090)
Total buildings		<u>3,193,577</u>	<u>3,324,211</u>

Total land and buildings		<u>4,093,577</u>	<u>4,224,211</u>
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**PLANT AND EQUIPMENT**

Plant and equipment:

— At cost		3,171,612	2,971,775
— Less accumulated depreciation		(2,032,575)	(1,775,272)
		<u>1,139,037</u>	<u>1,196,503</u>

**CAPITAL WORKS IN PROGRESS (CWIP)**

— At cost		31,366	31,366
		<u>31,366</u>	<u>31,366</u>

Total property, plant & equipment and CWIP		<u>5,263,980</u>	<u>5,452,080</u>
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**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 6 Property, Plant and Equipment (continued)**

**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:

	Note	Land \$	Buildings \$	Plant and Equipment \$	Capital Works in Progress \$	Total \$
<b>Current</b>						
Balance at the beginning of the year		900,000	3,324,211	1,196,503	31,366	5,452,080
Additions at cost		-	-	205,336	-	205,336
Disposals		-	-	(5,500)	-	(5,500)
Depreciation expense		-	(130,634)	(257,302)	-	(387,936)
Carrying amount at the end of the year		900,000	3,193,577	1,139,037	31,366	5,263,980

**(a) Land**

The valuation of land was based on 2017 'notices of valuation' issued by the New South Wales Valuer General. This value is also reflected in the current rates notice. Having considered circumstances which could give rise to material changes in the value in the 2020 financial year, the Board have elected to make no changes.

**(b) Buildings**

Herron Todd White Brisbane Pty Ltd were engaged to provide a valuation of the company's building and its improvements for the 2017 financial year. The cost approach methodology was used, an approach recognised by AASB 13 fair value measurement. A depreciated cost estimate, determined on 25 May 2016, was adopted by the Board for the 2017 financial year. Herron Todd White Brisbane Pty Ltd were engaged to provide an updated valuation of the company's building and improvements in April 2021. This valued these assets at a depreciated replacement cost of \$3,262,400, which is materially consistent with the value at 30 June 2021 of \$3,193,577. As such, the Board have elected to make no changes to the carrying value of these assets at this time.

**(c) Reconciliation of fixed asset additions to cashflow statement**

	2021 \$	2020 \$
— Additions - fixed asset movements	205,336	668,498
— Financed by supplier instalment arrangements	(82,116)	(37,349)
— Additions - payments from internal resources	123,220	631,149

Installment arrangements are unsecured.

Supplier installment arrangements are more fully described in note 8(a).

**Note 7 Intangible Assets**

	2021 \$	2020 \$
Poker machine entitlements - at cost	104,417	104,417
Net carrying amount	104,417	104,417

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 8 Trade and Other Payables**

	Note	2021 \$	2020 \$
<b>Current</b>			
Accrued expenses		81,076	133,950
Payroll liabilities		42,137	130,813
Trade payables		146,756	129,716
GST payable		67,061	71,674
ATO payment plan		41,696	-
Deferred income - membership fees in advance		17,190	2,457
Sundry creditors		6,207	41,249
	8(a)	<u>402,123</u>	<u>509,859</u>

**(a) Financial liabilities at amortised cost classified as trade and other payables**

Trade and other payables:

— Total current		<u>402,123</u>	<u>509,859</u>
		402,123	509,859
Less deferred income		<u>(17,190)</u>	<u>(2,457)</u>
Financial liabilities as trade and other payables	14	<u>384,933</u>	<u>507,402</u>

**Note 9 Borrowings**

**Current**

Installment arrangements	9(a)	34,215	12,371
Bank loan	9(b)	47,786	-
		<u>82,001</u>	<u>12,371</u>

**Non-Current**

Installment arrangements	9(a)	-	-
Bank loan	9(b)	438,460	503,245
		<u>438,460</u>	<u>503,245</u>
<b>TOTAL BORROWINGS</b>	14	<u>520,461</u>	<u>515,616</u>

**(a) Supplier Installment arrangements**

Various suppliers have provided vendor finance arrangements for the purchase of poker machines and furniture, re-payable in instalments ranging from 12 to 36 months. Current arrangements in place is entered into in the 2020 financial year.

The cash flow statement recognises the amount paid to the supplier, categorised under financing activities, to the value of \$60,273 (2020: \$124,398).



**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 9 Borrowings (continued)**

**(b) Bank Loans**

— **Better Business**

The company has a Business Loan facility of \$500,000 with ANZ Bank (ANZ).

- The loan matures on 20 July 2035
- This is a mortgage loan secured over the property described below.
- The company is required to make monthly capital and interest repayments over the term of the loan. However, the company was granted a 6-month deferral of repayments for the period 20 April 2020 to 20 October 2020.

— **Security for the Business Loan**

A First Rank Registered Mortgage by Cabarita Beach Bowls & Sports company Ltd ACN 000998863 over the property situated at 3-5 Jacaranda Avenue BOGANGAR NSW 2488.

**Note 10 Provisions**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Provision for employee benefits: annual leave	48,595	74,050
Provision for employee benefits: long service leave	90,811	74,808
RDO's	1,939	1,939
	<u>141,345</u>	<u>150,797</u>
<b>Non-Current</b>		
Provision for employee benefits: long service leave	11,471	34,628
	<u>11,471</u>	<u>34,628</u>
	<u>152,816</u>	<u>185,425</u>

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 11 Events occurring after balance date and going concern (including the impact of COVID-19)**

The coronavirus pandemic (Covid-19) resulted in the closure of clubs and other hospitality venues from midday 23 March 2020 until 1 June 2020, reopening with restricted capacity to comply with social distancing requirements.

The Club was able to operate for the full period during the year ended 30 June 2021, albeit with continuing and fluctuating capacity limits during this time.

**Events occurring after balance date**

At 5pm on 14<sup>th</sup> August 2021, all of New South Wales was placed into a COVID-19 lockdown. This was lifted at 12.01am on 11<sup>th</sup> September 2021 for a number of Local Government Areas, including Tweed Shire in which the Club is located. However at 5pm on 21<sup>st</sup> September 2021, the Tweed Shire local government area was placed back into lockdown for a minimum of 7 days. At the time of signing, much of New South Wales remains in lockdown and the situation in relation to COVID-19 remains fluid.

As a result of the lockdown, the Club was closed to the public for its duration, with the exception of the provision of take-away food service.

At 30 June 2020 \$190,479 was payable to the Australian Taxation Office in relation to outstanding GST and PAYG payments. After 30 June 2020 a payment plan was entered into whereby the remaining balance payable at 18 September 2020 of \$71,200 is to be repaid in 24 equal monthly instalments. The Club is currently in negotiations with the ATO regarding a payment plan for the amounts owing to the ATO for the year ended 30 June 2021.

Other than those noted above and arising from the impact of COVID-19, no other 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.

Covid 19 had a material impact on the core revenue, expense structures and cashflows of the Company for the year ended 30 June 2020, and minimal impact for the year ended 30 June 2021. It is expected to have a significant impact on the year ending 30 June 2022.

Federal Government's response to the pandemic, through various stimulus measures has countered this impact, more fully disclosed under 'other income' (note 2).

During both the current and prior financial years, the Club was entitled to the following Federal and State government financial support:

Cash-flow boost - Effectively a waiver of the whole or part of the pay-as-you-go liability. It is conditional upon the Company incurring a salary expense and therefore a withholding tax liability for pay-as-you-go. This support ceased on 30 September 2020. Recognition has been in the period in which the relevant conditions were fulfilled

Job-keeper – this was a wage subsidy, payable as legislated for each employee. Job-keeper support ended on 31 December 2020. Recognition has been in the period in which the relevant conditions were fulfilled.

The New South Wales government announced that both company gaming machine tax and payroll tax had been deferred for six months. Amounts payable to the ATO were permitted to be deferred too (your attention is also drawn to note 8) This has had a positive impact on the Company's cash flow.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 11 Events occurring after balance date and going concern (including the impact of COVID-19) (continued)**

**Going Concern**

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for a period of at least twelve months from the date of approval of these financial statements.

The Club notes the unpredictability of the COVID-19 situation, and the potential impact on the going concern basis of preparation. As a result, there is a high degree of uncertainty associated with forecasting cash flows over the following twelve-month period.

However, the directors believe there are reasonable grounds to conclude that the Club will continue as a going concern on the basis of the performance for the year ended 30 June 2021 and its current year end cash balances and financial position.

**Note 12 Key Management Personnel Compensation**

**Key Management Personnel**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel (KMP).

The total remuneration paid to KMP of the entity are as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
KMP compensation:	144,459	123,864

**Note 13 Other Related Party Transactions**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

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 son of Greg Dryden (Director) was an employee of SilverChef with whom the company undertakes equipment finance. Greg's Son does not have an active role in the quotations, negotiations or contract exchanges with the company.

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 14 Financial Risk Management**

The entity's financial instruments consist mainly of deposits with banks, short-term and long-term investments, payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021	2020
<b>Financial assets</b>			
— cash and cash equivalents	4	1,024,397	404,725
— trade and other receivables	5	11,069	148,455
<b>Total financial assets</b>		1,035,466	553,180
<b>Financial liabilities</b>			
— trade and other payables	8(a)	343,237	507,402
— borrowings	9	520,461	515,616
<b>Total financial liabilities</b>		863,698	1,023,018

**Note 15 Fair Value Measurements**

**(a) Fair Value Hierarchy**

The company's assets and liabilities are measured or disclosed at fair value, using a three level hierarchy, base on the lowest level of input that is significant to the entire fair value measurement, being:

<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

Assets and liabilities held for sale are measured at fair value on a non-recurring basis. There were no transfers between levels during the financial year.

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

**(b) Valuation techniques**

Your attention is drawn to notes 6(a) and 6(b).

The following table provides the fair values of the company's assets and liabilities.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Balance - beginning of current year</b>	-	-	4,224,211	4,224,211
Additions at cost	-	-	-	-
Depreciation expense	-	-	(130,634)	(130,634)
<b>Balance - end of current year</b>	-	-	4,093,577	4,093,577

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**(Continued)**

**Note 16 Reserves**

- (a) Revaluation Surplus  
The revaluation surplus records revaluations of non-current assets.
- (b) Analysis of Revaluation Reserve

	2021	2020
	\$	\$
Balance at beginning of year	1,823,910	1,823,910
Balance at end of year	1,823,910	1,823,910

**Note 17 Entity Details**

The registered office of the entity is:

Cabarita Beach Bowls & Sports company Limited  
Cabarita Road  
Bogangar NSW 2488

The principal place of business is:

Cabarita Beach Bowls & Sports company Limited  
Cabarita Road  
Bogangar NSW 2488

**Note 18 Members' Guarantee**

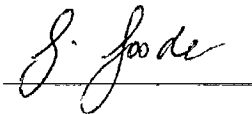
The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$1 towards meeting any outstanding obligations of the entity. At 30 June 2021 the number of members was 5,328 (2020: 4,925).

**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**ABN: 70 000 998 863**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 6 to 25, satisfy the requirements of the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards applicable to the entity; and
  - (b) give a true and fair view of the financial position of the entity as at 30 June 2021 and of its performance for the year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

A handwritten signature in black ink, appearing to read 'G. Goode', is written over a horizontal line.

Greg Goode  
Director

Dated this 30<sup>th</sup> day of September 2021



**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**CABARITA BEACH BOWLS & SPORTS CLUB LIMITED**

**Opinion**

We have audited the financial report of Cabarita Beach Bowls & Sports Club Ltd (the entity), which comprises the statement of financial position as at 30 June 2021, 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 and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

The accompanying financial report of Cabarita Beach Bowls & Sports Club Ltd is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the entity's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards – Simplified Disclosure Standard and the Corporations Regulations 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 Company 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 (including Independence Standards) (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, 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.

**Emphasis of matters**

Without modifying our audit opinion, your attention is drawn to Note 11 - Events occurring after balance date and going concern (including the impact of COVID-19) which more fully describes events after balance date and the impact of COVID-19 on the operations of the Club.

***Redefining Quality***

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Liability limited by a scheme approved under Professional Standards Legislation



## **Information Other than the Financial Report and Auditor's Report Thereon**

The directors are responsible for the other information. The other information comprises the information included in the entity's annual report for the year ended 30 June 2021 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the Directors for the Financial Report**

The directors of the entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Standard and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity'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 the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

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

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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 entity'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 entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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.

*WFD Assurance Services*

**WFD Assurance Services**

Santos Place  
Level 27, 32 Turbot Street  
Brisbane  
Dated: 1<sup>st</sup> October 2021

*Lanne Smith*

**LR Smith  
Principal**