

The Wauchope Country Club

ABN 24 000 044 315

Financial Statements

For the Year Ended 30 June 2023

The Wauchope Country Club

ABN 24 000 044 315

Financial Statements For the Year Ended 30 June 2023

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The Wauchope Country Club

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DIRECTORS' REPORT

Your Directors present their report on the Company for the financial year ended 30 June 2023.

Directors

The names of the Directors in office at any time during, or since the end of, the year are:

Kerry Galloway

Geoffrey Fowler

Ann-Marie Campbell

Peter McLeod

Karen Roods

David Robinson

Robert Baker

Allen Lewis

Garry Rudge

Appointed 13 November 2022

Appointed 13 November 2022

Resigned 28 June 2023

Resigned 13 November 2022

Kelvin Kelly

John Hill

Resigned 13 November 2022

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

Short-Term Objectives

The short-term objectives of the Company are to:

- Support and promote the sports of golf and bowls;
- Continue to promote and improve member facilities; and
- Provide quality service and reasonably priced food and beverages to the community.

Long-Term Objectives

The long-term objectives of the Company are to:

- Increase the membership base of the Club;
- Renovate and update clubhouse facilities;
- Further improve the golf course and bowling greens; and
- Establish and maintain relationships which would sustain the Club and facilities into the future.

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DIRECTORS' REPORT

Strategies

To achieve the objectives of the Company the following strategies have been adopted:

- Engage and retain suitably qualified and experienced employees to maintain Club facilities and provide the best possible service;
- Actively promote the Club's golf and bowling facilities to its members and the wider community and to encourage new membership; and
- Annual development of a financial budget and monthly monitoring of financial performance to ensure the Club operates within its financial capabilities.

Principal Activities

The principal activities of the Company during the financial year were the conduct of a Licensed Golf and Bowls Club, the provision of reasonably priced beverages, food, entertainment and responsible approved gaming.

No significant change in the nature of these principal activities occurred during the financial year.

Means by which Principal Activities Assisted in Achieving the Company's Objectives

The income and cash flows generated from the Company's principal activities were utilised in achieving the Company's objectives.

Key Performance Measures

The Company measures and monitors performance by comparing actual monthly results to budgets and past performance. The Company reviews key performance indicators such as membership numbers, gross profit margins and trading results of key income areas such as bar, bistro and poker machine operations.

Significant Changes in State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Members' Guarantee

The Wauchope Country Club 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 \$2 towards meeting any outstanding obligations of the Company. At 30 June 2023 the collective liability of members was \$11,848 (2022: \$9,690).

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and is included in this financial report.

Core and Non-Core Property

Core property is defined as any real property owned by the Club that comprises the defined premises of the Club or any facility provided by the Club for the use of its members and guests. Core property of the Club consists of land occupied by the Clubhouse, carpark, bowling greens and golf course at King Street, Wauchope, New South Wales.

Non-core property of the Club means any real property owned by the Club that is not core property. The Club does not currently hold any non-core property.

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DIRECTORS' REPORT

Meetings of Directors

During the financial year, 11 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Kerry Galloway	11	11
Geoffrey Fowler	11	8
Ann-Marie Campbell	11	11
Peter McLeod	11	10
Karen Roods	11	9
David Robinson	11	10
Robert Baker	11	11
Allen Lewis (Appointed 13 November 2022)	7	5
Garry Rudge (Appointed 13 November 2022, Resigned 28 June 2023)	7	5
John Hill (Resigned 13 November 2022)	4	3
Kelvin Kelly (Resigned 13 November 2022)	4	4

Information on Current Directors

Kerry Galloway

Qualifications Self Employed Director - Private Business
Experience Director for 7 years
Special Responsibilities Chairman

Geoffrey Fowler

Qualifications Operations Manager
Experience Director for 8 years (Total of 19 years)

Ann-Marie Campbell

Qualifications Customer Service Manager - Retail
Experience Director for 4 years

Peter McLeod

Qualifications Retired Company Director
Experience Director for 4 years
Special Responsibilities Vice Chairman

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DIRECTORS' REPORT

Karen Roods

Qualifications Human Resources Manager
Experience Director for 3 years

David Robinson

Qualifications Locksmith and Security Consultant
Experience Director for 3 years

Robert Baker

Qualifications Retired Licenced Builder
Experience Director for 2 years

Allen Lewis

Qualifications Business Owner, Qualified Butcher and Bowls Committee
Member
Experience Director for 1 year

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

Director:



Dated this 27th day of September 2023

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the *Corporations Act 2001*

To the Directors of The Wauchope Country Club

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

NorthCorp Accountants



Alaine Ylias
Registered Company Auditor

3/80 High Street
Wauchope NSW 2446

27 September 2023

The Wauchope Country Club

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STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 30 June 2023

		2023	2022
	Note	\$	\$
Revenue	2	5,128,826	3,820,497
Other income	2	-	45,292
		5,128,826	3,865,789
Changes in inventories	3	4,522	19,777
Inventories purchased	3	(1,191,197)	(844,677)
Advertising		(37,256)	(30,561)
Affiliation fees		(38,192)	(37,965)
Cleaning and waste management		(51,162)	(41,345)
Commissions and retainers		(84,237)	(73,454)
Depreciation	3	(292,977)	(275,437)
Donations and sponsorship		(19,994)	(12,042)
Employee benefits expense		(2,214,764)	(1,748,038)
Entertainment, members' privileges and rewards		(136,935)	(68,992)
Equipment hire		(31,481)	(16,429)
Finance costs	3	(79,740)	(46,502)
Fuel and lubricants		(55,805)	(42,061)
Insurance		(136,536)	(106,260)
Light and power		(85,856)	(89,701)
Members' bonus points		(54,019)	(36,576)
Poker machine tax		(42,009)	5,401
Raffles		(105,066)	(76,903)
Rates and taxes		(32,167)	(27,502)
Repairs and maintenance		(223,107)	(244,871)
Other expenses		(311,643)	(249,891)
		(5,219,621)	(4,044,029)
Profit / (loss) before income tax		(90,795)	(178,240)
Income tax expense	1(a)	-	-
Profit / (loss) for the year		(90,795)	(178,240)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(90,795)	(178,240)
Profit / (loss) attributable to members of the Company		(90,795)	(178,240)
Total comprehensive income attributable to members of the Company		(90,795)	(178,240)

The accompanying notes form part of the financial statements.

The Wauchope Country Club

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STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	155,453	155,369
Trade and other receivables	5	70,211	93,752
Inventories	6	58,759	54,238
Other assets	7	32,287	130,112
Total current assets		316,710	433,471
Non-current assets			
Other financial assets	8	10	10
Property, plant and equipment	9	3,751,689	3,580,853
Right-of-use assets	10(a)	15,248	65,934
Total non-current assets		3,766,947	3,646,797
TOTAL ASSETS		4,083,657	4,080,268
LIABILITIES			
Current liabilities			
Lease liabilities	10(b)	11,049	56,764
Trade and other payables	11	403,743	370,871
Borrowings	12	57,141	112,004
Provisions	13	242,635	202,766
Other liabilities	14	235,740	213,104
Total current liabilities		950,308	955,509
Non-current liabilities			
Lease liabilities	10(b)	5,529	16,578
Borrowings	12	1,109,138	1,014,179
Provisions	13	15,475	-
Total non-current liabilities		1,130,142	1,030,757
TOTAL LIABILITIES		2,080,450	1,986,266
NET ASSETS		2,003,207	2,094,002
EQUITY			
Retained earnings		2,003,207	2,094,002
TOTAL EQUITY		2,003,207	2,094,002

The accompanying notes form part of the financial statements.

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STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2023

2023

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2022	2,094,002	2,094,002
Profit / (loss) attributable to members of the Company	(90,795)	(90,795)
Other comprehensive income	-	-
Total comprehensive income for the year	(90,795)	(90,795)
Balance at 30 June 2023	2,003,207	2,003,207

2022

	Retained Earnings	Total
	\$	\$
Balance at 1 July 2021	2,272,242	2,272,242
Profit / (loss) attributable to members of the Company	(178,240)	(178,240)
Other comprehensive income	-	-
Total comprehensive income for the year	(178,240)	(178,240)
Balance at 30 June 2022	2,094,002	2,094,002

The accompanying notes form part of the financial statements.

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STATEMENT OF CASH FLOWS

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
Cash Flows from Operating Activities		
Receipts from customers	5,662,141	4,191,850
Payments to suppliers and employees	(5,196,301)	(4,124,338)
Borrowing costs	(77,617)	(39,433)
Net cash provided by (used in) operating activities	<u>388,223</u>	<u>28,079</u>
Cash Flows from Investing Activities		
Proceeds from sale of plant and equipment	-	45,946
Acquisition of property, plant and equipment	(428,235)	(355,493)
Net cash provided by (used in) investing activities	<u>(428,235)</u>	<u>(309,547)</u>
Cash Flows from Financing Activities		
Proceeds from borrowings	245,162	912,263
Repayment of borrowings	(205,066)	(630,905)
Net cash provided by (used in) financing activities	<u>40,096</u>	<u>281,358</u>
Net increase (decrease) in cash and cash equivalents	84	(110)
Cash and cash equivalents at beginning of financial year	<u>155,369</u>	<u>155,479</u>
Cash and cash equivalents at end of financial year	<u>4</u> <u>155,453</u>	<u>155,369</u>

The accompanying notes form part of the financial statements.

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

The financial statements are for The Wauchope Country Club (the Company) as an individual entity, incorporated and domiciled in Australia. The Wauchope Country Club is a Company limited by guarantee.

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*.

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 stated otherwise.

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

The financial statements were approved and authorised for issue on 27 September 2023 by the Board of Directors.

Accounting Policies

(a) Income Tax

The Company has been granted an exemption from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*. The exempt status of the Company applies indefinitely or until such time as a change in circumstances warrants a review of the exempt status.

(b) Inventories

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

(c) Property, Plant and Equipment

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

Property

Freehold land and buildings are measured on the cost basis less, where applicable, accumulated impairment losses and accumulated depreciation for buildings.

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 its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. An assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) for details of impairment).

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (Continued)

(c) Property, Plant and Equipment (Continued)

Plant and equipment (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets but excluding freehold land, is depreciated on a straight-line basis or diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Depreciation is recognised in profit or loss.

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

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2.50% to 20.00%
Plant and equipment	5.00% to 33.33%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset.

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

Trade receivables are initially measured at the transaction price.

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (Continued)

Classification and Subsequent Measurement

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or financial liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

Financial Assets

Financial assets are subsequently measured at amortised cost.

Financial assets comprising cash and cash equivalents, trade and other receivables and unlisted investments are subsequently measured at amortised cost as they meet the following conditions:

- the financial assets are managed solely to collect contractual cash flows; and
- the contractual terms within the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the Company's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all the risks and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (Continued)

(d) Financial Instruments (Continued)

Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

Recognition of expected credit losses in financial statements

At each reporting date, the Company recognises the movement in the loss allowance as an impairment gain or loss in the statement of comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

(e) Impairment of Non-Financial Assets

At the end of each reporting period, the Company 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 to sell 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.

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

(f) Employee Benefits

Provision is made for the Company'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year 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 not satisfy vesting requirements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(g) Provisions

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

(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 borrowings in current liabilities on the statement of financial position.

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (Continued)

(i) Leases

The Company as Lessee

At inception of a contract, the Company assesses whether the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability are recognised by the Company where the Company is the lessee. However, all contracts that are classified as short-term leases (leases with remaining lease terms of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold or services provided. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

(k) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent the liabilities for goods and services received by the Company 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. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 1 Summary of Significant Accounting Policies (Continued)

(l) Revenue Recognition

Revenue is recognised when control of the goods and services has transferred to the customers. For such transactions, this is the point in time when the goods are delivered to the customers or the services are received by customers.

Interest revenue is recognised using the effective interest method.

Receivables are recognised when items are delivered or services received, as at this point consideration is unconditional since only time needs to pass before payment of that consideration is due.

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

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such a time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(n) 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.

Cash flows are presented in the statement of cash flows 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.

(o) Comparative Figures

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

(p) 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 - Impairment

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

No impairment has been recognised in respect of assets at the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 2 Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of comprehensive income.

	2023	2022
Note	\$	\$
Continued Operations		
- Sale of goods	2(a) 2,830,447	1,932,317
- Other sources of revenue	2(b) 2,298,379	1,888,180
	<u>5,128,826</u>	<u>3,820,497</u>
 (a) Revenue Disaggregation		
Revenue is disaggregated along the following product lines:		
Bar sales	1,476,144	1,047,049
Bistro sales	1,354,303	885,268
Total Sales Revenue	<u>2,830,447</u>	<u>1,932,317</u>
Timing of sales revenue recognition		
Goods and services transferred to customers:		
- at a point in time	2,830,447	1,932,317
 (b) Other Sources of Revenue		
Commissions received	124,898	89,170
Green fees	486,277	396,649
Government grant - NSW Office of Sport	52,563	-
Government subsidies - NSW Jobsaver payments	-	84,928
Members' subscriptions	294,948	304,849
Poker machine GST rebate	17,180	17,180
Poker machine takings	1,112,236	828,141
Raffle income	103,018	73,566
Other revenue	107,259	93,697
Total Other Revenue	<u>2,298,379</u>	<u>1,888,180</u>
 (c) Other Income		
Net gain on disposal of property, plant and equipment	-	45,292
Total Other Income	<u>-</u>	<u>45,292</u>
Total Revenue and Other Income	<u>5,128,826</u>	<u>3,865,789</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 3 Profit / (Loss) for the Year

(a) Expenses

	2023	2022
	\$	\$
Cost of sales		
Bar sales	607,956	451,756
Bistro sales	578,719	373,144
	<u>1,186,675</u>	<u>824,900</u>
Finance Costs		
Interest on lease liabilities	2,123	4,909
Interest on borrowings	77,617	41,593
	<u>79,740</u>	<u>46,502</u>
Depreciation		
Buildings and improvements	73,184	73,761
Plant and equipment	169,107	138,299
Right-of-use assets	50,686	63,377
	<u>292,977</u>	<u>275,437</u>

Note 4 Cash and Cash Equivalents

Cash on hand	102,000	92,000
Cash at bank	53,453	63,369
	<u>155,453</u>	<u>155,369</u>

(a) Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<u>155,453</u>	<u>155,369</u>
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The Wauchope Country Club

ABN 24 000 044 315

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 5 Trade and Other Receivables

	2023	2022
	\$	\$
Current		
Trade receivables and accrued income	67,777	63,905
Other receivables	2,434	29,847
	<u>70,211</u>	<u>93,752</u>

Note 6 Inventories

Current		
Finished Goods - at Cost		
Bar stock	34,975	36,996
Bistro stock	23,784	17,242
Total Inventory	<u>58,759</u>	<u>54,238</u>

Note 7 Other Assets

Current		
Prepayments and other assets	<u>32,287</u>	130,112

Note 8 Other Financial Assets

Non-Current		
Financial Assets at Amortised Cost		
Unlisted investments, at cost:		
- Shares in other corporations	<u>10</u>	<u>10</u>

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 9 Property Plant and Equipment

	2023	2022
	\$	\$
Land and buildings		
Freehold land		
Freehold land at cost	932,145	932,145
Buildings		
Buildings and freehold improvements at cost	3,237,662	3,112,333
Accumulated depreciation	(1,480,820)	(1,407,636)
Total buildings	<u>1,756,842</u>	<u>1,704,697</u>
Total land and buildings	<u>2,688,987</u>	<u>2,636,842</u>
Plant and equipment		
Plant and equipment at cost	3,534,844	3,328,545
Accumulated depreciation	(2,472,142)	(2,384,534)
Total plant and equipment	<u>1,062,702</u>	<u>944,011</u>
Total property, plant and equipment	<u>3,751,689</u>	<u>3,580,853</u>

(a) Movements in Carrying Amounts

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

	Land	Buildings and Improvements	Plant and Equipment	Total
	\$	\$	\$	\$
2023				
Balance at 1 July 2022	932,145	1,704,697	944,011	3,580,853
Additions	-	125,329	287,798	413,127
Disposals	-	-	-	-
Depreciation expense	-	(73,184)	(169,107)	(242,291)
Balance at 30 June 2023	<u>932,145</u>	<u>1,756,842</u>	<u>1,062,702</u>	<u>3,751,689</u>

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 10 Leases

The Company leases greens equipment and a point of sale system with lease terms varying from 4 years to 5 years. The lease payments are fixed during the term of the leases.

(a) Right-of-Use Assets

	2023	2022
	\$	\$
Leased equipment	264,643	264,643
Accumulated depreciation	(249,395)	(198,709)
	<u>15,248</u>	<u>65,934</u>

Movements in carrying amounts

	Equipment	Total
	\$	\$
Year ended 30 June 2023		
Balance at beginning of year	65,934	65,934
Depreciation expense	(50,686)	(50,686)
Balance at end of year	<u>15,248</u>	<u>15,248</u>

(b) Lease Liabilities

	2023	2022
	\$	\$
Current		
Lease liabilities	<u>11,049</u>	56,764
Non-Current		
Lease liabilities	<u>5,529</u>	16,578
Total lease liabilities	<u>16,578</u>	<u>73,342</u>

(c) AASB 16 Amounts Recognised in Profit or Loss

Interest expense on lease liabilities	2,123	4,909
Amortisation expense related to right-of-use assets	50,686	63,377

Note 11 Trade and Other Payables

Current

Unsecured liabilities

Trade payables	259,058	347,461
Sundry creditors and accrued expenses	144,685	23,410
	<u>403,743</u>	<u>370,871</u>

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 12 Borrowings

	Note	2023 \$	2022 \$
Current			
Unsecured liabilities			
Bank credit card facility		<u>7,364</u>	4,785
Secured liabilities			
Asset finance facility	12(a)(d)	-	16,403
Other borrowings	12(a)(d)	<u>49,777</u>	90,816
		<u>49,777</u>	107,219
		<u><u>57,141</u></u>	<u>112,004</u>
Non-current			
Secured liabilities:			
Bank loan	12(a)(d)(e)	1,070,000	1,000,000
Asset finance facility	12(a)(d)	-	14,179
Other borrowings	11(a)(d)	39,138	-
		<u>1,109,138</u>	<u>1,014,179</u>
 (a) Total current and non-current secured liabilities			
Bank overdraft		7,364	4,785
Bank loan		1,070,000	1,000,000
Asset finance facility		-	30,582
Other borrowings		88,915	90,816
		<u>1,166,279</u>	<u>1,126,183</u>
 (b) Carrying amounts of non-current assets pledged as security			
Land and buildings	9	2,688,987	2,636,842
Plant and equipment	9	1,062,702	944,011
		<u>3,751,689</u>	<u>3,580,853</u>

The Wauchope Country Club

ABN 24 000 044 315

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 12 Borrowings (Continued)

(c) Financial assets pledged as security

	Note	2023 \$	2022 \$
Financial assets that have been pledged as part of the collateral for the benefit of the bank loan are as follows:			
Cash and cash equivalents	4	155,453	155,369
Trade and other receivables	5	70,211	93,752
Unlisted investments	8	10	10
Total financial assets pledged		225,674	249,131

(d) Collateral Provided

(i) Bank Loan

The bank loan is a flexible rate loan facility secured by a registered mortgage over land and buildings owned by the Company and a charge over all present and future rights, property and undertakings of the Company.

(ii) Asset Finance Facility

The asset finance facility is a hire purchase contract used for the financing of the acquisition of course plant and equipment. The facility is secured by the underlying assets acquired. This facility was fully repaid in the current financial year.

(iii) Other Borrowings

Other borrowings consists of finance contracts for the purchase of poker machines. The borrowings are secured by the underlying assets acquired.

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 13 Provisions

	Employee Benefits	EGM Linked Jackpot	Total
	\$	\$	\$
Opening balance at 1 July 2022	202,766	-	202,766
Additional provisions	180,086	27,929	208,015
Provisions utilised	(152,671)	-	(152,671)
Balance at 30 June 2023	230,181	27,929	258,110

Analysis of Total Provisions

	2023	2022
	\$	\$
Employee Benefits and other provisions		
Current	242,635	202,766
Non-current	15,475	-
	258,110	202,766

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for wages, annual leave and long service leave.

The current portion for this provision includes the total amount accrued for wages and annual leave entitlements, and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

These amounts are classified as current liabilities since the Company does not have an unconditional right to defer settlement of the entitlements accrued by employees.

The non-current portion of this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 14 Other Liabilities

Current

Members' subscriptions in advance	180,450	164,893
Other income in advance	55,290	48,211
	235,740	213,104

The Wauchope Country Club

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 15 Capital and Lease Commitments

(a) Capital Expenditure Commitments

	2023	2022
	\$	\$
Capital expenditure commitments contracted for:		
Poker Machines	<u>140,897</u>	-
Payable:		
- not later than 1 year	46,966	-
- later than 1 year and not later than 5 years	93,931	-
- later than 5 years	-	-
	<u>140,897</u>	-

Note 16 Events after the Reporting Period

Other than the following, the Directors are not aware of any significant events since the end of the reporting period.

On 23 September 2023, one of the Club's green sheds was destroyed by fire. While the extent of the loss is not presently determinable, the shed and its contents were fully covered by insurance. The financial effect of the loss has not been brought to account in the financial statements at 30 June 2023, and will be reflected in the next year's financial statements.

Note 17 Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The aggregate compensation of key management personnel, and their related parties, during the financial year comprising amounts paid or payable or provided for was as follows:

Short-term employee benefits	339,489	303,744
Post-employment benefits	35,538	30,659
	<u>375,027</u>	<u>334,403</u>

The Wauchope Country Club

ABN 24 000 044 315

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 18 Other Related Party Transactions

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

During the financial year ended 30 June 2023 payments totalling \$3,655 (2022: \$8,147) were made to Bennett's Steel for the supply of fixtures and fittings to the Wauchope Country Club. Teresa Carney, the Assistant Manager of The Wauchope Country Club, is a Director of Bennett's Steel.

During the financial year ended 30 June 2023 payments totalling \$23,971 were made to Lewies Quality Butchery for the supply of bistro supplies and raffle prizes to the Wauchope Country Club. Allen Lewis (appointed 13 November 2022), a board member of The Wauchope Country Club, is the owner of Lewies Quality Butchery.

During the financial year ended 30 June 2023 payments totalling \$4,400 were made to Nikki Rudge for entertainment services to the Wauchope Country Club. Garry Rudge (appointed 13 November 2022 and resigned 28 June 2023), a board member of The Wauchope Country Club, is the Partner of Nikki Rudge.

Note 19 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, cash on hand, accounts receivable and payable, bank loans and other borrowings.

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

	Note	2023 \$	2022 \$
Financial Assets			
Financial Assets at Amortised Cost			
Cash and cash equivalents	4	155,453	155,369
Trade and other receivables	5	70,211	93,752
Unlisted investments	8	10	10
Total Financial Assets		225,674	249,131
Financial Liabilities			
Financial Liabilities at Amortised Cost			
Lease liabilities	10(b)	16,578	73,342
Trade and other payables	11	403,743	370,871
Bank credit card facility	12	7,364	4,785
Bank loan	12	1,070,000	1,000,000
Asset finance facility	12	-	30,582
Other borrowings	12	88,915	90,816
Total Financial Liabilities		1,586,600	1,570,396

(a) Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

The Wauchope Country Club

ABN 24 000 044 315

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2023

Note 20 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor for:		
Auditing the financial statements	21,500	20,000
Other non-assurance services	3,000	3,000
	<u>24,500</u>	<u>23,000</u>

Note 21 Members' Guarantee

The Wauchope Country Club is a company limited by guarantee with liability of members limited to the amount of \$2 as set out in the Company's constitution. The number of members at the end of the financial year was 5,924 (2022: 4,845)

Note 22 Company Details

The registered office of the Company is:

3/80 High Street

Wauchope NSW 2446

The principal place of business is:

The Wauchope Country Club

24 King Street

Wauchope NSW 2446

The Wauchope Country Club

ABN 24 000 044 315

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of The Wauchope Country Club, the Directors of the Company declare that:

1. The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
 - (b) give a true and fair view of the financial position of the Company as at 30 June 2023 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.

Director 

Dated this 27th day of September 2023

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the Members of The Wauchope Country Club

Opinion

We have audited the financial report of The Wauchope Country Club, which comprises the Statement of Financial Position as at 30 June 2023, the Statement of 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.

In our opinion, the accompanying financial report of The Wauchope Country Club is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Company's annual report for the year ended 30 June 2023, 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.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the Members of The Wauchope Country Club

Responsibilities of the Directors for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

PARTNERS

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT
To the Members of The Wauchope Country Club

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

NorthCorp Accountants



Alaine Ylias
Registered Company Auditor

3/80 High Street
Wauchope NSW 2446

27 September 2023