

The Bundanoon Club Limited

ABN: 92 001 068 962

Financial Statements

For the year ended 30 June 2022

Draft

The Bundanoon Club Limited

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The Bundanoon Club Limited

Directors' report
30 June 2022

The directors present their report on The Bundanoon Club Limited for the financial year ended 30 June 2022.

Information on directors

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

Peter Ellsmore

Steve Granger - resigned November 2021

Ryan Elphick - resigned

Yvonne Boonham

Tim Stirton - resigned July 2022

Andy Worboys

Kevin Dale - resigned October 2021

Stephen Evans - resigned November 2021

Stephen Press

Amy Press

Lee Borradaile - appointed June 2022

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

Principal activities

The principal activity of The Bundanoon Club Limited during the financial year was the operation of a licenced club. No significant change in the nature of these activities occurred during the year.

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

Operating results

The profit/(loss) of the Company after providing for income tax amounted to \$67,985 (2021: \$189,434)

Review of operations

A review of the operations of the Company during the financial year and the results of those operations show a decrease in revenue for the year combining with an increase in costs, resulting in a decrease in the surplus for the year. The roof renovations have been funded by a government grant, \$67,500 of which has been received. This amount is shown as income for the year and is the primary reason behind the reported surplus for the year. This grant money has been fully expended on the roof renovations (see Cashflow Statement).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

The Bundanoon Club Limited

Directors' report
30 June 2022

Events after the reporting date

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

Future developments and results

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

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of The Bundanoon Club Limited.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2022 has been received and can be found on page 4 of the financial report.

Signed in accordance with a resolution of the Board of directors.

Peter Ellsmore

Director

Dated:

Auditor's independence declaration to the directors of The Bundanoon Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Laterals Accounting Solutions

Tim Allen
Director
Goulburn NSW

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The Bundanoon Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue	5	774,723	806,018
Cost of sales		(240,859)	(228,949)
Gross profit		533,864	577,069
Finance income	6	330	184
Other income	5	28,265	(1,567)
Administrative expenses		(334,858)	(284,343)
Marketing expenses		(20,029)	(8,227)
Occupancy costs		(102,558)	(74,564)
Depreciation expenses		(22,410)	(19,119)
Donations & Sporting Club support		(14,618)	-
Profit (loss) before income taxes		67,986	189,433
Income tax		-	-
Profit (loss) from continuing operations		67,986	189,433
Profit (loss) for the year		67,986	189,433
Total comprehensive income for the year		67,986	189,433

The accompanying notes form part of these financial statements.

The Bundanoon Club Limited

Statement of financial position

As at 30 June 2022

	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	8	175,515	229,391
Trade and other receivables		12,198	-
Inventories	9	72,201	62,924
Total current assets		259,914	292,315
Non-current assets			
Property, plant and equipment	10	270,272	144,997
Total assets		530,186	437,312
Liabilities			
Current liabilities			
Trade and other payables	11	50,779	25,892
Total liabilities		50,779	25,892
Net assets		479,407	411,420
Equity			
Retained earnings		479,407	411,420

The accompanying notes form part of these financial statements.

The Bundanoon Club Limited

Statement of changes in equity For the year ended 30 June 2022

2021	Retained earnings \$	Total \$	Total equity \$
Opening balance	221,987	221,987	221,987
Profit for the year	189,433	189,433	189,433
Closing balance	411,420	411,420	411,420

2022	Retained earnings \$	Total \$	Total equity \$
Opening balance	411,421	411,421	411,421
Profit for the year	67,986	67,986	67,986
Closing balance	479,407	479,407	479,407

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The accompanying notes form part of these financial statements.

The Bundanoon Club Limited

Statement of cash flows
For the year ended 30 June 2022

	2022	2021
	\$	\$
Cash flows from operating activities:		
Receipts from customers	790,790	827,216
Payments to suppliers and employees	(697,309)	(596,861)
Interest received	330	184
Net cash flows from/(used in) operating activities	93,811	230,539
Cash flows from investing activities:		
Purchase of property, plant and equipment	(147,687)	(22,274)
Net increase/(decrease) in cash and cash equivalents	(53,876)	208,265
Cash and cash equivalents at beginning of year	229,391	21,126
Cash and cash equivalents at end of financial year	175,515	229,391

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The accompanying notes form part of these financial statements.

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

1. Introduction

The financial report covers The Bundanoon Club Limited as an individual entity. The Bundanoon Club Limited is a not-for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of The Bundanoon Club Limited is Australian dollars.

The principal activities of the Company for the year ended 30 June 2022 was the operation of a licenced club. No significant change in the nature of these activities occurred during the year.

The financial report was authorised for issue by the Directors on Select Date.

Comparatives are consistent with prior years, unless otherwise stated.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 applies and, accordingly amounts in the financial statements and directors' report have been rounded to the nearest dollar.

2. Basis of preparation

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

The financial statements, except for the Cash Flow Statement, 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Summary of significant accounting policies

a. Income tax

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

b. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

c. Goods and services tax (GST)

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

Receivables and payables are stated inclusive of GST.

d. Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

e. Financial instruments

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

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

i. Financial assets

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

Classification

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

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

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

Amortised cost

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

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

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

Impairment of financial assets

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

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

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

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

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

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

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

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

Trade receivables and contract assets

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

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

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

ii. Financial liabilities

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

The financial liabilities of the Company comprise trade payables.

f. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2022, the adoption of these standards has not caused any material adjustments to the reported financial

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

position, performance or cash flow of the Company.

4. Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

a. Key estimates - impairment of property, plant and equipment

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.

b. Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

5. Revenue and other income

a. Accounting policy

i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

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

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

ii. Other income

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

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

b. Revenue from continuing operations

	2022	2021
	\$	\$
Revenue from contracts with customers		
Sale of goods	666,930	730,930
Grants		
Cashflow Boost	-	8,096
JobKeeper	-	39,000
Jobsaver	22,949	-
Grant Income	10,660	24,349
Capital Grants Received	67,500	-
Total Grants	101,109	71,445
Member subscriptions	5,409	1,069
Other revenue from contracts with customers	1,275	2,574
	774,723	806,018
	774,723	806,018

c. Other income

	2022	2021
	\$	\$
Commissions	11,365	1,400
Other income	16,900	(2,967)
	28,265	(1,567)

6. Finance income and expenses

	2022	2021
	\$	\$
Finance income		
Interest income		
Other interest income	330	184
	330	184

7. Auditor's remuneration

	2022	2021
	\$	\$
Remuneration of the auditor of the Company, Laterals Accounting Solutions, for:		
Auditing or reviewing the financial statements	2,950	2,900

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

8. Cash and cash equivalents

a. Accounting policy

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

b. Cash and cash equivalent details

	2022	2021
	\$	\$
Cash at bank	138,485	92,051
Cash on hand	37,030	37,272
Short-term deposits	-	100,068
	175,515	229,391

c. Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of cash flows is reconciled to items in the Statement of financial position as follows:

	2022	2021
	\$	\$
Cash and cash equivalents	175,515	229,391

9. Inventories

a. Inventory details

Current	2022	2021
	\$	\$
At net realisable value		
Finished goods	72,201	62,924

10. Property, plant and equipment

a. Accounting policy

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

i. Land and buildings

Land and buildings are measured using the cost model.

ii. Plant and equipment

Plant and equipment are measured using the cost model.

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

iii. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Buildings	40 years
Plant and equipment	5-20 years
Furniture, fixtures and fittings	5-20 years
Other property, plant and equipment	5-20 years

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

b. Property, plant and equipment at written down value details

Summary	2022	2021
	\$	\$
Buildings	170,743	73,370
Plant and equipment	59,126	54,688
Furniture, fixtures and fittings	34,132	7,980
Other property, plant and equipment	6,271	8,959
	270,272	144,997

Land owned by the Club

The Club owns land, known as Lot 1 DP 533191, on which currently sit the Croquet Lawns. A subdivision has recently been completed, adjacent to the lot, which in the Director's opinion now values the lot at approximately \$600,000 (2021: \$600,000).

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

11. Trade and other payables

Current	2022	2021
	\$	\$
Trade payables	20,343	-
GST payable	10,395	12,929
Employee benefits	20,041	12,963
	50,779	25,892

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

12. Financial risk management

Financial assets	2022	2021
	\$	\$
Held at amortised cost		
Cash and cash equivalents	175,515	229,391
Trade and other receivables	12,198	-
	187,713	229,391

13. Contingencies

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

14. Related parties

a. Transactions with related parties

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

The Bundanoon Club Limited

Notes to the financial statements

For the year ended 30 June 2022

15. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	\$	\$
Profit for the year	67,986	189,433
Add / (less) non-cash items:		
Depreciation and amortisation		
Depreciation expenses	22,410	19,119
Changes in assets and liabilities:		
(increase) / decrease in receivables	(12,198)	22,764
(increase) / decrease in inventories	(9,277)	(14,770)
increase / (decrease) in payables	24,887	13,995
Cash flows from operations	93,808	230,541

16. Events occurring after the reporting date

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

17. Statutory information

The registered office and principal place of business of the Company is:

The Bundanoon Club Limited
Erith Street
Bundanoon NSW Australia
2578

The Bundanoon Club Limited

Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the year ended 30 June 2022 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Company.

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 with the continuing support of creditors.

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

Peter Ellsmore

Director

Dated:

Draft

Independent audit report to the members of The Bundanoon Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of The Bundanoon Club Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

In our opinion, the accompanying financial report of the Company for the year ended 30 June 2022 is prepared, in all material respects, in accordance with the Australian Accounting Standards - Simplified Disclosures.

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 Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance

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

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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Tim Allen
Director
Goulburn NSW

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