

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**31 MARCH 2022**

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**CONTENTS**

Directors' Report	1
Independent Audit Report	5
Auditor's Independence Declaration	7
Statement of Profit or Loss & Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	32
Disclaimer on Additional Financial Information	33
Supplementary Information	34

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 31 March 2022.

**Principal Activities**

The principal activities of the company during the financial year were:

To provide and maintain a licensed sporting club. The short term and long term objectives are to continue to provide these facilities and strengthen the Club's financial position. The strategy for achieving these objectives is to conservatively manage and monitor the Club's financial position to enable services and facilities for members. The Club uses industry accepted key performance indicators to monitor performance.

**Significant Changes in State of Affairs**

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

**Objectives & Strategies**

The short and long term objectives of the company are to provide club facilities to members and guests.

The strategy for achieving these objectives is to conservatively manage and monitor the company's financial position, and ensure that member facilities are kept at the highest of standards.

**Performance Measurement**

The company uses industry accepted financial and non-financial KPI's to monitor performance.

**Membership**

The number of members registered in the Register of Members at 31 March 2022 were as follows:

Members	12,531
Total Members	<u>12,531</u>

The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the company is wound up, the Constitution states that each member is liable to contribute a maximum of \$2 each towards meeting any outstanding obligations of the entity. At 31 March 2022 the collective liability of members was \$25,062 (31 March 2021: \$27,752).

**Directors**

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

**Alan Bird**

**President**

*Qualifications, experience, and special duties:*

Member Board of Directors 33 years

Retired

Club Directors Institute Member

Mandatory Director Training (Exempt)

Chairman Sports Council

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**DIRECTORS' REPORT**

**William Garrick**

**Vice President**

*Qualifications, experience, and special duties:*

Member Board of Directors 6 years

Retired Maintenance Supervisor

Club Directors Institute Member

Mandatory Director Training Completed

**Gregory Sturgiss**

**Vice President**

*Qualifications, experience, and special duties:*

Member Board of Directors 17 years

Business Owner

Club Directors Institute Member

Mandatory Director Training (Exempt)

**John Newbold**

**Director**

*Qualifications, experience, and special duties:*

Member Board of Directors 20 years

Retired

Club Directors Institute Member

Mandatory Director Training (Exempt)

**Phillip Viret**

**Director**

*Qualifications, experience, and special duties:*

Member Board of Directors 4 years

Self Employed

Club Directors Institute Member

Mandatory Director Training Completed

**Neville Whalan**

**Director**

*Qualifications, experience, and special duties:*

Member Board of Directors 4 years

Retired

Club Directors Institute Member

Mandatory Director Training Completed

**Shayne Ashton**

**Director**

Appointed 22/12/2021

*Qualifications, experience, and special duties:*

Member Board of Directors 2 years

Construction Supervisor

Club Directors Institute Member

Mandatory Director Training Completed



**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
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**DIRECTORS' REPORT**

**Suzanne Dendle**

**Director - Former**

Resigned 10/12/2021

*Qualifications, experience, and special duties:*

Member Board of Directors 4 years

Veterans Welfare Advocate

Club Directors Institute Member

Mandatory Director Training Completed

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

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**DIRECTORS' REPORT**

**Summary of Meeting Attendances:**

12 ordinary meetings were held during the year.

	<i>Number of Meetings Eligible To Attend</i>	<i>Number of Meetings Attended</i>
Alan Bird	12	12
William Garrick	12	11
Gregory Sturgiss	12	11
John Newbold	12	8
Phillip Viret	12	11
Neville Whalan	12	12
Shayne Ashton	12	10
Suzanne Dendle	7	6

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 31 March 2022 has been received and can be found on page 7 of the financial report.

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

Director:

  
Mr Alan Maxwell Bird

Dated 25 May 2022

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED  
A.B.N. 81 000 845 358**

**Audit Opinion**

We have audited the financial report of Shoalhaven Ex-Servicemen's Club Limited (the company), which comprises the statement of financial position as at year ended 31 March 2022, 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 Shoalhaven Ex-Servicemen's Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at the year ended 31 March 2022 and of their performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

**Basis of Audit 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Other Information**

The directors are responsible for the other information. The other information does not include the financial report and our auditor's report thereon, but comprises the Supplementary Information contained in the annual report, which we obtained prior to the date of this auditor's report, and the President's Report and the Treasurer's Report, which are expected to be made available to us after the date of this auditor's report.

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.

**INDEPENDENT AUDIT REPORT  
TO THE MEMBERS OF  
SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED  
A.B.N. 81 000 845 358**

**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 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 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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

**Matters Relating to the Electronic Presentation of the Audited Financial Report**

The auditor's report relates to the financial report of Shoalhaven Ex-Servicemen's Club Limited for the financial year ended 31 March 2022 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

**Booth Partners**



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Rebeka Schroeder, CA  
52 Osborne Street, Nowra NSW 2541  
Dated 25 May 2022

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF  
SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED  
A.B.N. 81 000 845 358**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022, 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.

**Booth Partners**



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Rebeka Schroeder, CA  
52 Osborne Street, Nowra NSW 2541  
Dated 25 May 2022

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
Revenue	2	18,320,372	15,802,435
Other income	2	940,307	1,461,173
Cost of sales		(2,356,725)	(1,796,844)
Administration and Wages on Costs		(2,792,972)	(2,969,887)
Bar Operating Expenses		(669,479)	(451,086)
Bistro Operating Expenses		(773,241)	(557,987)
Borrowing Expenses		(93,907)	(124,673)
Bunker Operating Expenses		(19,990)	(22,514)
Cafe Operating Expense		(84,719)	(74,372)
Commission Expenses		(104,853)	(75,349)
Depreciation and Amortisation		(1,709,823)	(1,740,259)
Gaming Operating Expenses		(3,260,242)	(2,651,641)
Golf Course Operating Expenses		(677,478)	(600,967)
Greens Operating Expenses		(89,340)	(101,717)
Growers Project Expense		(1,618,820)	(1,057,353)
Insurance Expense		(379,053)	(280,712)
Motor Vehicle Expenses		(15,337)	(15,303)
Occupancy Expenses		(1,132,330)	(982,636)
Promotion and Entertainment Costs		(900,429)	(587,987)
Residential Property Expenses		(11,970)	(8,218)
Other expenses		(811,733)	(837,942)
<b>Profit before income tax</b>	<b>3</b>	<b>1,758,238</b>	<b>2,326,161</b>
Income tax expense		-	-
<b>Profit (loss) attributable to members of the company</b>		<b>1,758,238</b>	<b>2,326,161</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of Land and Buildings, 31 March 2021	8	-	(304,877)
<b>Other comprehensive income for the year, net of tax</b>		-	(304,877)
<b>Total comprehensive income (loss) attributable to members of the company</b>		<b>1,758,238</b>	<b>2,021,284</b>

The accompanying notes form part of these financial statements.  
These statements should be read in conjunction with the attached compilation  
report of Booth Partners.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	833,616	3,216,851
Trade and other receivables	5	1,335,410	291,935
Inventories	6	313,843	383,274
Other current assets	7	251,546	111,011
<b>TOTAL CURRENT ASSETS</b>		<u>2,734,415</u>	<u>4,003,071</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	38,041,140	38,402,957
Right of use assets	9	139,239	193,076
Investment property	10	0	840,000
Intangible assets	11	762,730	762,730
<b>TOTAL NON-CURRENT ASSETS</b>		<u>38,943,109</u>	<u>40,198,763</u>
<b>TOTAL ASSETS</b>		<u>41,677,524</u>	<u>44,201,834</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	1,521,436	1,163,253
Borrowings	13	925,137	528,147
Short term provisions	14	702,068	633,322
Other current liabilities	15	316,171	323,490
<b>TOTAL CURRENT LIABILITIES</b>		<u>3,464,812</u>	<u>2,648,212</u>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	13	708,010	5,829,339
Long term provisions	14	89,404	67,226
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>797,414</u>	<u>5,896,565</u>
<b>TOTAL LIABILITIES</b>		<u>4,262,226</u>	<u>8,544,777</u>
<b>NET ASSETS</b>		<u>37,415,298</u>	<u>35,657,057</u>
<b>EQUITY</b>			
Reserves	16	13,682,872	13,682,872
Retained earnings		23,732,426	21,974,185
<b>TOTAL EQUITY</b>		<u>37,415,298</u>	<u>35,657,057</u>

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**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Retained Profits</b>	<b>Reserves</b>	<b>Total</b>
Balance at 1 April 2020	19,648,024	13,987,749	33,635,773
Profit (loss) for the year	2,326,161	-	2,326,161
Other comprehensive income for the year	-	(304,877)	(304,877)
Total comprehensive income attributable to members of the entity	2,326,161	-	2,326,161
Balance at 31 March 2021	<u>21,974,185</u>	<u>13,682,872</u>	<u>35,657,057</u>
Balance at 1 April 2021	21,974,188	13,682,872	35,657,060
Profit (loss) for the year	1,758,238	-	1,758,238
Other comprehensive income for the year	-	-	-
Total comprehensive income attributable to members of the entity	1,758,238	-	1,758,238
Balance at 31 March 2022	<u>23,732,426</u>	<u>13,682,872</u>	<u>37,415,298</u>

The accompanying notes form part of these financial statements.  
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**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 \$	2021 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		19,337,899	17,144,205
Payments to suppliers and employees		(15,643,771)	(12,810,541)
Interest received		75	439
Borrowing costs paid		(93,907)	(124,673)
<b>Net cash provided by (used in) operating activities</b>		<u>3,600,296</u>	<u>4,209,430</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		97,710	2,521
Payments for property, plant and equipment		(1,356,902)	(5,429,292)
<b>Net cash provided by (used in) investing activities</b>		<u>(1,259,192)</u>	<u>(5,426,771)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		93,254	3,923,038
Repayment of borrowings		(4,817,593)	(1,139,136)
<b>Net cash provided by (used in) financing activities</b>		<u>(4,724,339)</u>	<u>2,783,902</u>
Net increase (decrease) in cash held		(2,383,235)	1,566,561
Cash at beginning of financial year		3,216,851	1,650,290
Cash at end of year	4	<u>833,616</u>	<u>3,216,851</u>

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**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1 Summary of Significant Accounting Policies**

**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company 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 the financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements, except for 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 of Shoalhaven Ex-Servicemen's Club Limited for the year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 25 May 2022.

**Revenue and Other Income**

The company has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058).

Revenue is measured based on the consideration to which the company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer. Each major source of revenue is recognised as follows:

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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*Goods and Services*

All goods and services other than those detailed below are delivered, invoiced, and paid for simultaneously. This includes sales of liquor, gaming products, golf games and other products.

Revenue is recognised immediately at the point of sale. The impact of the loyalty program has been detailed below.

*Memberships*

Membership is granted following payment of annual fees and in the case of new members, board approval of their application. Payment for new members is due on application, and payment for renewing members is due within one month of the renewal date.

Contract liabilities are recognised on receipt of payment, and revenue is recognised on a straight line basis over the period of membership.

*Loyalty Program*

Members are eligible to earn points based on their poker machine usage. Points are redeemable against any future purchases from the company. The points accumulate and do not expire.

A portion of poker machine takings relating to loyalty points are deferred to contract liabilities. Revenue is recognised when loyalty points are redeemed or the likelihood of the customer redeeming the loyalty points becomes remote.

*Advertising and Sponsorships*

Advertising and sponsorships are invoiced prior to the agreed period of coverage and invoices are typically payable within 30 days.

Contract liabilities are recognised when the invoices are issued, and revenue is recognised on a straight line basis over the agreed period of coverage.

*Function Income*

Deposits for functions are invoiced at the time of booking and are payable by the earlier of 30 days from the booking, or 10 days prior to the event. Full payment for the function is typically due by the day of the event.

Contract liabilities are recognised when the booking is made, and for any part payments received prior to the time of the event. Revenue is recognised at the time the function is held.

*Ticket Sales*

Event tickets are invoiced when payment is received.

Contract liabilities are recognised when tickets are sold prior to the date of the event. Revenue is recognised at the time the event is held.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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*Rental Income*

Rental income is invoiced and payable on a monthly basis.

Revenue is recognised on a straight line basis over the length of the lease.

*Operating grants, donations and bequests*

When the company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. When both these conditions are satisfied, the company identifies each performance obligation relating to the grant, recognises a contract liability for its obligations under the agreement, and recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138), recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer), and recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

*Capital Grants*

When the company receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards. The company recognises income in profit or loss when or as the company satisfies its obligations under the terms of the grant.

*Interest Income*

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

*Investment Property Revenue*

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the net investment.

Grant revenue is recognised in the statement of comprehensive income when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Shoalhaven Ex-Servicemen's Club Limited receives non-reciprocal contributions of assets from the government and other parties for zero or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of comprehensive income.

Donations and bequests are recognised as revenue when received.

### **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 balance sheet.

### **Trade and Other Receivables**

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in statement of comprehensive income.

### **Inventories**

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis.

Stores are valued at cost.

### **Prepayments**

Prepayments are recognised when a payment is made for services that the company expects to utilise over a period of time. Prepayments are measured at the unexpended portion of the contractual cost of the services. Expenditure is transferred to profits and losses on a straight line basis over the period to which it relates.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Property, Plant and Equipment**

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

**Property**

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by external independent valuers, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in other comprehensive income. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in other comprehensive income; all other decreases are recognised in profit or loss.

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

**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 recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

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.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings and Course	2.5% - 4.0%
Plant and Equipment	15.0% - 40.0%

The asset's 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 included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

### **Investment Property**

Investment property is held to generate long-term rental yields and capital growth. Investment property is carried at fair value, determined by independent valuers. Changes to fair value are recorded in the statement of comprehensive income as other income or expenses.

### **Intangibles**

#### **Poker Machine Licences**

Purchased poker machine licences are initially recognised at cost. They have an infinite life and are carried at cost in accordance with the licence terms. Poker machine licences are assessed annually for impairment.

### **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 company commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.63 .

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Financial assets and liabilities are subsequently measured at amortised cost.

**Impairment**

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets;
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the general approaches to impairment, as applicable under AASB 9.

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

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

**Impairment of Assets**

At each reporting date, the company reviews the carrying values 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 value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

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.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

**Trade and Other Payables**

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



**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented on a gross basis, except for the GST component of investing and financing activities which are disclosed as operating cash flows.

**Income Tax**

The company is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

**Employee Benefits**

**Short term employee benefits**

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current liabilities in the statement of financial position.

**Other long-term employee benefits**

The company classifies employee's long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The company's obligations for long-term employee benefits are presented as non-current liabilities in the statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

### **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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### **Leases**

At inception of a contract, the company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the company where the company is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term 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.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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For leases that have significantly below-market terms and conditions principally to enable the Entity to further its objectives (commonly known as peppercorn/concessionary leases), the company has adopted the temporary relief under AASB 2018-814 and measures the right-of-use assets at cost on initial recognition.

**Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production 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 time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the income statement in the period in which they are incurred.

**Comparative Figures**

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

**Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial report 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.

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>2 Revenue</b>		
<b>Revenue</b>		
Sales Revenue:		
Ancillary Clubs	13,614	(17,768)
Gaming Net Clearances	10,907,260	9,994,975
Golf Course Income	668,106	690,003
Greens Income	7,235	10,413
Interest Received	75	439
Keno and TAB Commissions	296,893	259,303
Member Subscriptions	129,917	73,316
Points Income	138,551	78,786
Pro Am Income	2,273	545
Raffle Income	204,296	97,199
Rent Received	157,819	119,672
Sundry Income	269,610	141,595
Trading Revenue	5,524,723	4,353,957
	<u>18,320,372</u>	<u>15,802,435</u>
<b>Other Income</b>		
Loss on Sale of Non-current Assets	(7,220)	-
Profit on Sale of Non-current Assets	394,459	1,979
Investment Properties Revaluation	-	27,194
JobKeeper	-	1,332,000
Cash Flow Booster	-	100,000
JobSaver Income	553,068	-
	<u>940,307</u>	<u>1,461,173</u>
	<u>19,260,679</u>	<u>17,263,608</u>
Total revenue and other income		

**3 Profit from Ordinary Activities**

Profit from ordinary activities before income tax expense has been determined after:

**Expenses:**

Cost of sales	2,356,725	1,796,844
Borrowing costs	93,908	127,515
Depreciation of non-current assets	1,709,824	1,740,259

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>4 Cash and Cash Equivalents</b>		
<b>Current</b>		
Cash on Hand	530,117	532,364
Bank Accounts - Ancillary Clubs	83,721	81,229
Melbourne Cup Account	984	-
Bank - Trading Account	163,505	1,205,884
Bank - GST Account	-	114,396
Bank - Tab Account	22,913	49,036
Bank - Keno Account	32,376	69,229
Bank - Provision Account	-	1,164,713
	<u>833,616</u>	<u>3,216,851</u>
The Club has an overdraft in place of \$250,000 which is secured over the Club's assets.		
<b>Reconciliation of cash</b>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:		
Cash and cash equivalents	<u>833,616</u>	<u>3,216,851</u>
	<u>833,616</u>	<u>3,216,851</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Debtors	196,986	294,655
Less: Provision for Doubtful Debts	-	(2,720)
	<u>196,986</u>	<u>291,935</u>
Other Debtors	<u>1,138,424</u>	<u>-</u>
	<u>1,335,410</u>	<u>291,935</u>
<b>6 Inventories</b>		
<b>Current</b>		
Stock on Hand - Other	199,849	263,643
Stock on Hand - Bar	<u>113,994</u>	<u>119,631</u>
	<u>313,843</u>	<u>383,274</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>7 Other Current Assets</b>		
<b>Current</b>		
Prepayments	251,546	111,011
<b>8 Property, Plant and Equipment</b>		
<b>Land and Buildings</b>		
Land and Buildings - Junction Street at Valuation, 2021	15,000,000	15,000,000
Land and Buildings - Junction Street Improvements	16,000	-
Less: Provision for Depreciation	(263,794)	-
	14,752,206	15,000,000
Land and Buildings - Sports Club at Valuation, 2021	17,500,000	17,500,000
Land and Buildings - Sports Club Improvements at Cost	87,763	-
Golf Course, at Valuation 2021	3,500,000	3,500,000
Less: Accumulated Depreciation	(425,614)	-
	20,662,149	21,000,000
<b>Total Land and Buildings</b>	35,414,355	36,000,000
<b>Plant and Equipment</b>		
Plant and Equipment, Junction Street - at cost	7,256,106	7,972,833
Less: Accumulated Depreciation	(6,008,891)	(6,739,735)
	1,247,215	1,233,098
Plant and Equipment, Sports Club - at Cost	6,898,654	6,605,908
Less: Accumulated Depreciation	(5,519,084)	(5,436,049)
	1,379,570	1,169,859
<b>Total Plant and Equipment</b>	2,626,785	2,402,957
<b>Total Property, Plant and Equipment</b>	38,041,140	38,402,957

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	\$	\$

The Club owns two properties located at 131 Greenwell Point Road Worrigee NSW 2541 and 149 Junction Street Nowra NSW 2541. The two properties are considered 'Core Property' as defined in the Registered Clubs Act, 1973.

**Asset Revaluations**

The Company, in accordance with the Directors undertaking, commissioned a valuation of freehold land and buildings on 18 May 2021. The assets were valued by independent valuer, Walsh and Monaghan Pty Limited and the valuation has been adopted by the Directors as at 31 March 2021. The basis of the valuation was the market value of the assets on a going concern basis. The Company's land and buildings is recorded in the Clubs Statement of Financial Position based upon this valuation.

**Movements in Carrying Amounts**

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

	Carrying Value				Carrying Value
	1 Apr 2021	Additions	Disposals	Depreciation	31 Mar 2022
Land, Buildings and Improvements	36,000,000	103,763	-	(689,408)	35,414,355
Poker Machines	1,134,217	653,068	(1,674)	(658,469)	1,127,142
Plant and Equipment	1,268,740	600,070	(7,220)	(361,947)	1,499,643
	<u>38,402,957</u>	<u>1,356,901</u>	<u>(8,894)</u>	<u>(1,709,824)</u>	<u>38,041,140</u>

**9 Right of Use Assets**

Right of Use Asset - Cart and GPS Hire	215,348	215,348
Less: Accumulated Depreciation	<u>(76,109)</u>	<u>(22,272)</u>
	<u>139,239</u>	<u>193,076</u>
<b>Total Right of Use Assets</b>	<u><u>139,239</u></u>	<u><u>193,076</u></u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
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The Groups lease portfolio includes golf cart hire and GPS equipment hire. The leases both have 4 year lease terms.

**Options to Extend or Terminate**

There were no termination or extension options for any of the leases. If the extension options or termination options were probable to be exercised we would have included them in the calculation of the right-of-use asset.

**Right of Use Assets**

Movements in carrying amount for each class of right of use assets between the beginning and the end of the financial year:

	Initial Recognition 1 Apr 2021	Additions	Disposals	Depreciation	Carrying Value 31 Mar 2022
Right of use asset - Cart and GPS Hire	193,076	-	-	(53,837)	139,239
	<u>193,076</u>	<u>-</u>	<u>-</u>	<u>(53,837)</u>	<u>139,239</u>

**10 Investment Property**

**Land and Buildings - Investment Properties**

Land and Buildings - Investment Properties	<u>-</u>	<u>840,000</u>
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**Movements in Carrying Amounts**

Movements in carrying amount of investment properties between the beginning and the end of the current financial year:

	Carrying Value 1 Apr 2021	Revaluations	Disposals	Amortisation	Carrying Value 31 Mar 2022
Land and Buildings - Investment Property	840,000	-	(840,000)	-	-
	<u>840,000</u>	<u>-</u>	<u>(840,000)</u>	<u>-</u>	<u>-</u>



**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>11 Intangible Assets</b>		
Poker Machine Entitlements - at Cost	762,730	762,730
<b>Total</b>	<u>762,730</u>	<u>762,730</u>

**Movements in Carrying Amounts**

Movements in carrying amount of each class of intangibles between the beginning and the end of the current financial year:

	Carrying Value 1 Apr 2021	Additions	Disposals	Amortisation	Carrying Value 31 Mar 2022
Poker machines Entitlements - at Cost	762,730	-	-	-	762,730
	<u>762,730</u>	-	-	-	<u>762,730</u>

**12 Trade and Other Payables**

**Current**

Trade Creditors and Accrued Expenses	1,521,436	1,163,253
	<u>1,521,436</u>	<u>1,163,253</u>

**13 Borrowings**

**Current**

Hire Purchase Liability	148,689	115,166
Commonwealth Bank Loan	722,798	361,095
Lease Liability	53,650	51,886
	<u>925,137</u>	<u>528,147</u>

**Non-Current**

Hire Purchase Liability	89,793	154,200
Lease Liability	88,700	142,350
Commonwealth Bank Loan	529,517	5,532,789
	<u>708,010</u>	<u>5,829,339</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<p>The following security is held by the Commonwealth Bank of Australia on the overdraft facility, loans and guarantees:</p> <p>i) Registered mortgage over the Club's land and buildings situated at Junction Street, Nowra</p> <p>ii) Registered mortgage over the Club's land and buildings situated at Greenwell Point Road, Worrigee</p> <p>iii) Registered equitable mortgage debenture over the whole of the Club's assets.</p> <p>The lease between Shoalhaven Ex-Servicemen's Club Ltd and Capital Finance for the golf carts is a 4 year lease, expiring October 2024. There is no option to extend and as such we took up the value of the remaining lease payments at present value on 1 November 2020 to determine the lease liability and right of use asset values.</p> <p>The lease between Shoalhaven Ex-Servicemen's Club Ltd and Capital Finance for the GPS equipment is a 4 year lease, expiring October 2024. There is no option to extend and as such we took up the value of the remaining lease payments at present value on 1 November 2020 to determine the lease liability and right of use asset values.</p>		
<b>14 Provisions</b>		
<b>Current</b>		
Provision for Holiday and Sick Pay	432,652	375,290
Provision for Long Service Leave	269,416	258,032
	<u>702,068</u>	<u>633,322</u>
<b>Non-Current</b>		
Provision for Long Service Leave	89,404	67,226
	<u>89,404</u>	<u>67,226</u>
<b>Aggregate Employee Benefit Liability</b>	<u>791,473</u>	<u>700,548</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>15 Other Liabilities</b>		
<b>Current</b>		
Income in Advance	316,171	323,490
<b>16 Reserves</b>		
Asset Revaluation Reserve	13,628,400	13,628,400
Capital Redemption Reserve	54,472	54,472
	13,682,872	13,682,872
<b>17 Capital and Leasing Commitments</b>		
<b>Finance Lease Commitments</b>		
Payable - minimum lease payments		
Not later than 12 months	148,689	115,166
Between 12 months and five years	89,793	154,200
Minimum lease payments	238,482	269,366
Present value of minimum lease payments	238,482	269,366
<b>18 Key Management Personnel Compensation</b>		
Total Compensation	274,858	269,403
<b>19 Directors Remuneration</b>		
Honoraria and Expenses	1,000	1,500
Training and Conferences	49,209	17,224
Meals and Refreshments	21,581	4,980
	71,790	23,704

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<b>20 Related Party Transactions</b>		
Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.		
Transactions with related parties:		
Sturgiss Newsagency - Total amounts paid for contract services - Related party of director G.Sturgiss	131	165
Brendan & Lauren Sturgiss - Total remuneration paid for wages and superannuation - Related party of director G.Sturgiss	106,072	98,947
Phillip Viret - Southern Tinting Solutions	-	3,150
<b>21 Financial Risk Management</b>		
The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable, and leases.		
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:		
<b>Financial Assets</b>		
Financial assets at amortised cost:		
- Cash and cash equivalents	833,616	3,216,851
- Trade and other receivables	1,322,508	291,935
Total Financial Assets	<u>2,156,124</u>	<u>3,508,786</u>
<b>Financial Liabilities</b>		
Financial Liabilities at amortised cost		
- Trade and other payables	1,488,642	1,163,253
- Borrowings	1,633,147	6,357,486
Total Financial Liabilities	<u>3,121,789</u>	<u>7,520,739</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	2022 \$	2021 \$
<hr/>		
<b>22 Fair Value Measurements</b>		
<p>The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.</p>		
<b>Recurring fair value measurements</b>		
<i>Property, plant and equipment</i>		
Freehold Land	14,752,206	15,000,000
Freehold Buildings	20,662,149	21,000,000
	<u>35,414,355</u>	<u>36,000,000</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
  - (a) comply with Australian Accounting Standards.
  - (b) give a true and fair view of the financial position of the company as at 31 March 2022 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.

This declaration is made in accordance with a resolution of the board of directors.

**Director:**

  
\_\_\_\_\_  
Mr Alan Maxwell Bird

Dated 25 May 2022

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION**

The additional information on the following pages is in accordance with the books and records of Shoalhaven Ex-Servicemen's Club Limited which have been subjected to the auditing procedures applied in the audit of the company for the year ended 31 March 2022. It will be appreciated that the audit did not cover all details of the additional financial information. Accordingly, we do not express an opinion on such financial information and no warranty of accuracy or reliability is given.

In accordance with our firm policy, we advise that neither the firm nor any member or employee of the firm undertakes responsibility arising in any way whatsoever to any person (other than the company) in respect of such information, including any errors or omissions therein, arising through negligence or otherwise however caused.

**Booth Partners**



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Rebeka Schroeder, CA  
52 Osborne Street, Nowra NSW 2541  
Dated 25 May 2022

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>Bar Trading</b>		
Bar Sales	1,999,327	1,722,954
Less: Cost of Goods Sold	<u>937,903</u>	<u>753,181</u>
Gross Profit	1,061,424	969,774
<b>Add: Other Income</b>		
Beverage Rebates	87,344	72,200
Points Income	<u>85,974</u>	<u>48,776</u>
	173,318	120,977
<b>Less Expenses</b>		
Bar PayByPoints	-	13,404
Repairs & Maintenance	25,051	36,000
Stocktake	5,000	14,060
Wastage	10,364	5,237
Wages	629,064	395,789
Depreciation	<u>26,304</u>	<u>29,882</u>
	695,782	494,372
<b>NET PROFIT</b>	<u><u>538,959</u></u>	<u><u>596,378</u></u>

	2022	2021
	\$	\$
<b>Cafe Trading</b>		
Sales	129,499	132,086
Less: Cost of Goods Sold	<u>71,319</u>	<u>73,245</u>
Gross Profit	58,180	58,841
<b>Less Expenses</b>		
Bonus Points	-	-
Repairs & Requisites	4,088	4,569
Wastage	393	1,093
Wages	<u>80,237</u>	<u>68,711</u>
	84,719	74,372
<b>NET PROFIT</b>	<u><u>(26,539)</u></u>	<u><u>(15,532)</u></u>



**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022 \$	2021 \$
<b>The Bunker Trading</b>		
Sales	6,888	12,787
Less: Cost of Goods Sold	2,568	3,347
Gross Profit	<u>4,320</u>	<u>9,440</u>
<b>Less Expenses</b>		
Repairs & Requisites	-	11
Wages	19,990	22,504
	<u>19,990</u>	<u>22,514</u>
<b>NET PROFIT</b>	<u><u>(15,670)</u></u>	<u><u>(13,075)</u></u>

	2022 \$	2021 \$
<b>Gaming Trading</b>		
Net Clearances	10,907,260	9,994,975
	<u>10,907,260</u>	<u>9,994,975</u>
<b>Less Expenses</b>		
AEMP	291,353	286,656
Central Monitoring	91,552	68,018
Club Grants	169,138	250,267
Depreciation	658,469	698,747
Internet Authorisation	6,800	2,515
Loss on Sale	(90,365)	(1,979)
Promotions	-	-
Repairs & Maintenance	196,272	119,281
Statewide Jackpot Fees	(9)	(9)
Turnover Tax	2,090,301	1,754,211
Wages	378,333	306,358
	<u>3,791,844</u>	<u>3,484,065</u>
<b>NET PROFIT</b>	<u><u>7,115,416</u></u>	<u><u>6,510,910</u></u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022 \$	2021 \$
<b>Bistro Trading</b>		
Bistro Sales	1,222,683	1,060,044
Function Sales	125,370	45,242
Less: Cost of Goods Sold	591,690	483,775
<b>Gross Profit</b>	<u>756,364</u>	<u>621,512</u>
<b>Add: Other Income</b>		
Bistro Points Income	52,577	30,010
<b>Less Expenses</b>		
Bistro PayByPoint	-	-
Bistro Wages	680,812	486,081
Function Wages	-	-
Bistro Stocktake	-	-
Bistro R&M	60,300	50,701
Function R&M	890	1,469
Bistro Depreciation	11,692	9,809
Bistro Sundry	29,382	19,736
Function Sundry	1,856	-
	<u>784,933</u>	<u>567,796</u>
<b>Net Profit To P&amp;L Statement</b>	<u><u>24,008</u></u>	<u><u>83,725</u></u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022 \$	2021 \$
<b>Course Trading</b>		
<b>Pro Shop Takings</b>		
Golf/Access. Sales	68,151	50,713
Food and Bev. Sales	32,034	32,146
	<u>100,185</u>	<u>82,859</u>
<b>Less: Cost of Goods Sold</b>		
Food and Bev. Purch	15,603	12,943
Golf Access. Purch.	49,950	19,664
	<u>65,553</u>	<u>32,607</u>
<b>Gross Profit</b>	34,632	50,252
<b>Other Income</b>		
Course Annual Subs	146,259	168,877
Course Comp Fees	117,807	130,414
Course Green Fees	143,972	156,156
Course Cart Hire	115,982	114,092
Cart Storage	11,477	14,268
Course Advertising Revenue	-	-
Fuel Tax Credits	13,187	-
Voucher Sales	13,866	15,758
Goods Hire /Lessons	5,371	7,577
	<u>602,553</u>	<u>657,395</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>Course Trading Cont.</b>		
<b>Less Expenses</b>		
Course Affiliation	16,975	14,607
Cart & GPS Hire	-	49,029
Course Electricity	4,896	10,952
Course Fertilizers & Chem.	36,567	31,127
Course Fuel & Oil	19,654	14,865
Course Wages	230,891	213,380
Course Advertising	8,570	1,100
Course Depreciation	54,235	56,137
Course Repairs & Maintenance	50,683	24,048
Course Repairs & Maintenance - Machinery	26,068	14,140
Course Printing & Stationary	6,075	5,695
Pro Shop Trophy Expenses	46,878	49,848
Pro Shop - Wastage	91	-
Pro Shop Wages	172,504	165,425
Pro Shop Stocktaking	-	-
Pro Shop Vouchers	873	(62)
Pro Shop Discounts & Promotions	1,116	582
Sub Group Sponsorship	-	-
Promotional Golf Day	-	-
Sundry Golf Expenses	1,800	6,231
	<u>677,876</u>	<u>657,104</u>
<b>NET PROFIT</b>	<u>(75,323)</u>	<u>291</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022 \$	2021 \$
<b>Pro Am Trading</b>		
Pro Am Sponsorship	2,273	545
Catering & Entertainment	-	-
	<u>2,273</u>	<u>545</u>
<b>Less Expenses</b>		
Catering & Entertainment	-	-
Prizes	-	-
	<u>-</u>	<u>-</u>
<b>Net Profit To P &amp; L Statement</b>	<u><u>2,273</u></u>	<u><u>545</u></u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>Greens Trading</b>		
Greens Income	7,235	10,413
<b>Less Expenses</b>		
Greens Electricity	-	-
Greens Fertiliser & Chemicals	1,065	5,860
Greens Wages	79,787	81,125
Greens Repairs & Maintenance	7,600	11,766
Greens Repairs & Maintenance - Machinery	888	2,966
Sundry Expenses	-	-
	<u>89,340</u>	<u>101,717</u>
<b>NET PROFIT</b>	<u>(82,105)</u>	<u>(91,303)</u>

	2022	2021
	\$	\$
<b>Commission Trading</b>		
KENO Commission	106,147	93,920
KENO Bonus Commission	11,680	-
TAB Commision	26,718	35,374
TAB Partnership Rebate	3,825	5,426
TAB Digital Commission	2,560	3,342
Sundry Commission	4,059	3,225
ATM Commission	<u>141,904</u>	<u>118,016</u>
	296,893	259,303
<b>Less Expenses</b>		
TAB Service Fees	12,340	14,249
TAB Stationery	(437)	54
TAB Wages	24,299	10,735
TAB Promotions	-	-
TAB Repairs & Maintenance	1,235	-
TAB TV Subscriptions	30,738	31,032
KENO Service Fees	7,969	6,887
KENO Stationery	3,399	815
KENO Wages	<u>25,309</u>	<u>11,577</u>
	104,853	75,349
<b>NET PROFIT</b>	<u>192,040</u>	<u>183,954</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>Growers Shoalhaven</b>		
<b>Growers Revenue</b>		
Beverage Sales	711,010	447,645
Food Sales	1,236,704	852,626
	<u>1,947,714</u>	<u>1,300,271</u>
Less: Cost of Goods Sold		
Beverage Purchases	172,280	134,422
Food Purchases	515,413	316,267
	<u>687,693</u>	<u>450,689</u>
Gross Profit	<u>1,260,022</u>	<u>849,582</u>
Less: Wages		
Beverage Wages	222,244	154,641
Food Wages	635,513	463,057
	<u>857,757</u>	<u>617,698</u>
Gross Profit after wages	<u>402,265</u>	<u>231,884</u>
<b>Other Income</b>		
Function Sales	67,876	22,156
Job Maker Income	7,786	52,857
Room Hire	15,136	1,364
Sundry Income	2,443	(422)
	<u>93,241</u>	<u>75,954</u>
<b>Total Income</b>	<u>495,506</u>	<u>307,838</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>Growers Project (cont'd)</b>		
<b>Less Expenses</b>		
Admin Expenses		
Room Hire	-	-
Stationery, Printing & Postage	650	8,644
Stripe Fees	35,632	16,623
Sundry Expenses	6,148	5,785
	<u>42,430</u>	<u>31,052</u>
Marketing Expenses		
Advertising	35,515	67,506
Promotions	2,818	1,744
Entertainment	25,797	6,173
	<u>64,130</u>	<u>75,423</u>
Occupancy Expenses		
Cleaning	41,616	11,950
Electricity & Gas	34,835	18,580
Water Rate	4,433	2,941
Consumables	39,888	15,652
Repairs & Maintenance	64,534	25,490
Security	2,517	15,956
	<u>187,822</u>	<u>90,569</u>
Employee Expenses		
Wages	241,203	102,714
Payroll Tax	46,478	33,869
Superannuation	111,411	69,229
Entitlements	57,670	26,588
Uniforms	8,733	8,325
Staff Training/Amenities	1,187	1,885
	<u>466,682</u>	<u>242,611</u>
Depreciation	132,330	48,906
<b>Total expenses</b>	<u>893,394</u>	<u>488,561</u>
<b>Net Profit To P&amp;L Statement</b>	<u>(397,888)</u>	<u>(180,723)</u>



**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022	2021
	\$	\$
<b>PROFIT AND LOSS STATEMENT</b>		
<b>INCOME</b>		
Net Profit Bar Trading	538,959	596,378
Net Profit Cafe Trading	(26,539)	(15,532)
Net Profit The Bunker Trading	(15,670)	(13,075)
Net Profit Gaming Trading	7,115,416	6,510,910
Net Profit Bistro Trading	24,008	83,725
Net Profit Course Trading	(75,323)	291
Pro Am Trading	2,273	545
Net Profit Greens Trading	(82,105)	(91,303)
Net Profit Commission	192,040	183,954
Net Profit Growers Shoalhaven	(397,888)	(180,723)
	<u>7,275,173</u>	<u>7,075,172</u>
Sundry Income		
Function Room Hire	69,048	33,519
Show Ticket Sales	-	-
Rent - Restaurant/Resort	82,825	41,991
Rent - Testra Tower	37,044	37,252
Rent - Properties	37,950	40,338
Rent - Advertising	-	-
Wage Recoveries	63,145	24,383
Raffle Income	204,296	97,199
Members Subscriptions	129,917	73,316
Interest Received	75	439
Anciliary Clubs	13,614	(17,768)
Profit/(Loss) on Sale of Non Current Asset	296,874	-
Miscellaneous	50,074	43,395
Jobkeeper Grant	-	1,332,000
Cash Flow Booster	-	100,000
Jobsaver Grant	553,068	-
Total Sundry Income	<u>1,537,929</u>	<u>1,806,065</u>
<b>TOTAL INCOME</b>	<u>8,813,102</u>	<u>8,881,238</u>

**SHOALHAVEN EX-SERVICEMEN'S CLUB LIMITED**  
**A.B.N. 81 000 845 358**

**SUPPLEMENTARY INFORMATION**  
**DEPARTMENTAL PROFIT AND LOSS STATEMENT**  
**For the Year Ended 31 March 2022**

	2022 \$	2021 \$
<b>Profit and Loss Statement (cont'd)</b>		
<b>LESS: EXPENDITURE</b>		
Administration Expense		
Consultancy Fees	21,222	39,030
Finance Expense	238,534	241,934
Administration Expenses	626,058	519,680
HR Admin Expense	1,518,319	1,465,712
Total Administration Expense	<u>2,475,126</u>	<u>2,267,856</u>
Member Expenses		
Member Promo Exp	99,911	62,498
Direct Mem Benefits	330	-
Gen Mem Benefits	198,331	52,868
Total Member Expenses	<u>298,573</u>	<u>115,366</u>
Property Expenses		
HR Property Expenses	150,637	228,587
Depreciation	880,631	896,778
Rates & Electricity	327,266	299,857
Gen Property Exp	817,274	691,239
Total Property Expenses	<u>2,175,807</u>	<u>2,116,461</u>
Entertainment Expenses		
Ent/Music	33,631	12,926
Special Events	-	-
Total Entertainment Exp	<u>33,631</u>	<u>12,926</u>
Promotion Expenses		
Promotion R&D Exp	122,137	115,624
Venue Wide Promotions	403,615	163,742
Total Promotion Expenses	<u>525,753</u>	<u>279,366</u>
Employee Expenses		
HR Expense Other	1,352,749	1,648,727
Employee Entitle	177,888	99,072
Motor Vehicle Exp	15,337	15,303
Total Employee Expenses	<u>1,545,975</u>	<u>1,763,102</u>
<b>TOTAL EXPENSES</b>	<u>7,054,864</u>	<u>6,555,077</u>
<b>NET PROFIT</b>	<u><u>1,758,238</u></u>	<u><u>2,326,161</u></u>