

Shoalhaven
Ex-Services
Group

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



THE
EX
SERVOS

ANNUAL REPORT 2022

FINANCIAL REPORT FOR THE YEAR ENDED
31 MARCH 2022



CONTENTS

SNAPSHOT	3
PRESIDENT'S REPORT	4
CEO REPORT	6
THE BOARD	9
GIVING BACK TO THE COMMUNITY	10
GIVING BACK TO CLUB GRANTS RECIPIENTS	11
FINANCIAL REPORT	12



SNAPSHOT

\$18.32M
TOTAL REVENUE

\$1.75M
PROFIT

199,622
SCHOONERS SOLD

5,789
MIDDYS SOLD

14,352
COSMOPOLITANS SOLD

\$170,030
WAS SPENT ON
CHICKEN SCHNITZELS

44,666
COFFEES SOLD

137
STAFF MEMBERS
55% FEMALES
45% MALES

65%
OF CUSTOMERS ASKED
FOR CHIPS & SALAD

PRESIDENT'S REPORT

Dear Members

It gives me great pleasure to provide my Presidents Report to the members of the Shoalhaven Ex-Servicemens Club for the 75th AGM to be held on 26th June, a remarkable milestone for the Club. I will start by saying that it is an honour to have been elected to this position as the first Non-Service President. It is a testament to the progressive nature of the Board and membership to continue to make proactive changes to the constitution and capture the full spectrum of valued members of this Club. It is incumbent on me, however, to be the custodian of the values and sacrifice in service that the Club was established on so many years ago, and we will not forget this as we move forward.

It has surely been another tough year. ANZAC Day commemorations were again stifled, although, the sub branch was able to provide a fitting commemorative service in Nowra with limited numbers due to restrictions. We emerged in 2021 with a strong trading period over Easter and into the cooler months only to be locked down again during the spring. Upon reopening we were again challenged with venue and trading restrictions in line with the Public Health orders of the time. The back end of the calendar year saw most restrictions eased which created opportunities for businesses and members in general to book Christmas get togethers, utilising Club facilities to capacity. Our functions area quickly booked out and flowed onto The Growers and Pepper Trees bistro. Sadly, the emergence of the Omicron Coronavirus variant limited tourist traffic throughout the summer period, however, we were greatly supported by our local member base which flowed into March to have a strong financial close to our Club year.

Golf and bowls operations were able to continue, albeit with restrictions on participation, offering members some social activity and outdoor fitness to stay active both mentally and physically. This was until we received a years' worth of rain in a 3-month period, leading to the course closure and disrupted bowls activity. It has also been one of the most disrupted cricket seasons in memory. Whilst social activity and events have been understandably few, our sports sections have continued to operate effectively and provided some good performances. It was great to be able to attend end of year events such as the golf sections presentations and dinners, and the 30th anniversary of the Exservos Social Golf Club. The Cricket Club has also recently celebrated a 60-year anniversary. Members have been participating in the planning stages of the Worrigeer Links master plan which will look to be executed over a 3-year period to be completed in line with the 25-year celebrations; it's great to see the input from the golfing members. Our course and other sporting facilities have been in exceptional condition thanks to the hard work of Greens Superintendent Chris and his team, great work.

The staff have continued to provide excellent service whilst abiding by the restrictions which at times led to frustrations. It is a testament to their will and determination that we were able to get through a very busy Christmas and New Year period with minimal resourcing complications. I congratulate every one of our valued employees on their efforts. During the year we saw the retirement of long serving (30 years) Administration Coordinator Debbie, the Board wish her all the very best in retirement and thank her for the assistance she has provided to myself and the committee over the years. It was also nice to see the presentation of some service awards for Kathy (35 years), Lyn (30 years) and Monique (20 years) around International Womens Day with more presentations to come. Thank you to all staff for your efforts throughout the year.

PRESIDENT'S REPORT

We are always saddened by the passing of members and their loved ones; however, it seems this year has been particularly tough. In late April the Club was devastated with the passing of retired Club President, Eddie Lee, who stood down in December 2020 due to his health challenges. Eddie was an excellent Chairman and was also a pivotal member of the bowls section and enjoyed attending to the running of barefoot bowls events. Long term Director and life member, John Newbold, lost his wife Fran during the year, a sad time for John and the family. The Bowls Club were also saddened to lose committee man, Greg Morphett, as well as Eddie and more recently Max Stevens. To all of our members who have suffered loss this year we extend our deepest sympathies.

I would like to formally thank and congratulate the Board for their comradeship, determination and leadership through the year. During the year director, Suz Denedle, stood down from the Board. Myself and colleagues hope this is only a temporary break as Suz provided energy and enthusiasm to the role and will be missed by all. Suz was also the first female Director in the Clubs history. To Vice Presidents Greg Sturgiss and Bill Garrick, thank you for your support and stepping in to the role when required.

To the Club leadership team headed by CEO Bernie Brown, COO Andrew Gunn, Group HR Shelley, departmental managers, customer service managers and our newly appointed Group CFO Sara, on behalf of the Board a big thank you. Most of all, I would like to congratulate our valuable staff on your commitment to the Club and ability to ride out the challenges that the past 3 years with bushfires, pandemics, industry staff shortages and floods has presented, you should be proud.

In closing I would like to thank you, our members for your continued support and patronage of our venues and facilities. You have also shown resilience and your continued support allows us to provide ongoing community donations and grants. We have some exciting renovations planned for both venues to kick off in the spring of 2022 so stay tuned and look out for more information in the coming months. Thank you.

Kind regards

Alan Bird

President



CEO REPORT

Dear Members

Welcome to the Annual Report for 2022. It has been another pandemic affected trading year although we have been able to weather the worst of it through our strong COVID policies and hardworking staff who have again risen to the challenge under extreme circumstances. It makes me very proud to watch our fantastic team deliver time and time again, being able to pivot with ever-changing rules and guidelines and pick up the workload with periods of significant resource shortages.

We again faced a forced business closure from mid-August to late October 2021. Even after opening, our trade was restricted by limited capacities and the inability for tourists from the greater Sydney region, which included Wollongong and Shellharbour, to visit our venues. Thankfully, from November onwards our local market responded, attending our venues in good numbers especially for well-earned work, group and family Christmas events, resulting in fully booked function facilities and eateries in December.

Not only have we endured pandemic related restrictions and closure, the La Nina weather event has thrown outdoor activities into chaos. Cricket, bowls and golf have been significantly impacted and, unfortunately, we continue to receive widespread, consistent heavy rain which impedes the maintenance and upkeep of the golf course. Sadly, we are looking at an extended closure, with over two continuous weeks of good drying conditions needed to enable play to recommence.

The Figures

Our industry maintains the line, "profit for purpose" which best describes, in a few words, the importance of having a financially stable business to continue to provide valuable community support, maintain and expand member facilities, provide employment opportunities and support local businesses. To that end, we have continued to drive revenues and restrain expenses posting a profit of \$1,758,238 for the year. Whilst a slightly reduced figure from 2021, we experienced a net reduction of government Covid grants of (\$878,932) as Jobkeeper (\$1,332,000 – 2021) and other business stimulus initiatives (\$100,000 cash boost) were wound up. We did, however, receive \$553,068 from the Job SAVER grant during the year which assisted in keeping our full base of staff engaged with the business.

Our debit reduction strategies have seen us all but extinguish financial liabilities, however, we have maintained the existing loan facility of \$6.5m to draw from for upcoming planned projects including Worrigea expansions and carpark works, Worrigea Links course master plan and major works for the Exservos. We have also begun to set aside cash to assist further with these and other capital expenditure items. We repaid borrowings by \$4,817,593 during the year, reducing our on-hand cash at bank whilst maintaining the ability to access those funds as needed through redraw and reducing interest at the same time.

CEO REPORT

Revenues have continued to improve against 2021 results across a majority of areas. Total sales revenue (excluding other income) topped \$18.32m, up 15.9% (2021 \$15.80m) and up 35.6% or \$4.84m over 5 years (2018 \$13.48m). This is an amazing achievement considering we lost 2 months of trading to closures through the year. With continued support from our members and visitors we should see sales exceed \$20m for the 2023 year. This year, bar trading sales were up 16% to \$1.99m, gaming net clearances improved 9.1% to \$10.90m, Pepper Trees Bistro trading sales (including functions) grew 22% to \$1.35m. The Growers Shoalhaven contributed \$1.95m to the sales revenue mix.

Community support through ClubGRANTS and sporting sponsorships remained unwavering with local Category 1 cash grants totalling \$81,563 and category 2 sporting sponsorships and other donations of \$133,063. These grants, combined with in-kind room hire fee waiver, raffle prize donations and administrative assistance, amounts to \$229,772 for the period 1 September 2020 to 31st August 2021 (Club Grants statutory reporting period).

Our People

As previously mentioned, our staff have done an outstanding job again under difficult circumstances and have been willing to go above and beyond. With the retirement of long-term serving Administration Manager, Debbie Abbott, the Club took the opportunity to strategically review the Group Executive structure and create a new CFO role. In July we welcomed Sara Goodwin CA to the team. Sara has hit the ground running taking accounting inhouse and providing the board with the monthly finance reporting presentations. Sara is also upskilling the admin team and generating further efficiencies within that department.

The COVID period has seen people across many sectors looking to early retirement and career change. Our business has not been immune to this trend. We saw some of our people return to their pre-COVID occupations as the travel and leisure sector rebooted towards the back end of the calendar year. To compensate for that, we have also welcomed a new surge of willing hospitality professionals who have slotted in to various roles within the business. Group COO, Andrew Gunn, has again led the way through his long hours and strategic support. He has been well aided by our Group Executive Team, Department Heads and Customer Service Management team.

Through trying conditions our Greens Team have again held strong, led by our Sports Turf Manager, Chris Regan, his 2nd, Adam Fortier, and complimented by a well-oiled group of proud Grounds Staff. Thank you to all of you on behalf of the Board and Executive Team for your efforts.

To our Group Executive Chef, Patrick, a big thank you for keeping our catering team humming. November and December saw significant uptick in reservations and meals whilst also dealing with staff shortages due to covid infections, equipment challenges and ongoing produce supply issues. Our catering department has seen overall growth which is amazing considering the challenges. Also a thank you to Jodie and the Events Team who handled a record number of Christmas events, parties and functions this year.



CEO REPORT

Our people also include the wonderful volunteers that make up our sporting sub clubs. Without them, the administration and organisation of events, competitions, presentations and general functioning of the Clubs would not occur. Our sub committees have themselves faced challenges of coordinating sporting activities under the health orders of the day and more recently with the relentless pounding from mother nature, thank you for your efforts and persistence.

A big thank you to the Board led by Chairman Alan Bird, for your support and energy over the past year. The Board have kept themselves well informed and have made at times challenging decisions for the benefit of the Club. The Board is a key strategic function of the organisation and continues to evolve, be proactive and engage with new ideas and direction. The performance of the Club is a direct reflection of the stability and cohesion of the governance group in following established strategic objectives and working together for the benefit of the membership.

Lastly, a big thank you to the members for your ongoing support and patience as we move through this pandemic journey together. Your continued patronage and support of the Club allows us to continue our strong community grants program at a time that it is needed more than ever.

Kind regards

Bernie Brown

ACCM MAICD Group CEO



CEO AND THE BOARD



Alan Bird
PRESIDENT



Bernie Brown ACCM MAICD
CHIEF EXECUTIVE OFFICER



Bill Garrick
VICE PRESIDENT



Greg Sturgiss
VICE PRESIDENT



John Newbold
DIRECTOR



Phil Viret
DIRECTOR



Neville Whalan
DIRECTOR



Shayne Ashton
DIRECTOR

GIVING BACK TO THE COMMUNITY

Community

Following on from the amazing community support through club grants, we have been pleased to partner with many local charities and organisations including:

ClubGRANTS Category 1 Projects	Organisation	Donation
Neighbourhood Centre / Youth Drop In Activities	Shoalhaven Neighbourhood Services	\$7,500
Shoalhaven Education Fund Grants	Shoalhaven Education Fund	\$5,000
GREAT - Grandparents Raising, Empowering, Advocating Together A group for grandparent carers of children with a disability	Noah's Inclusion Services	\$9,600
Accessible technology	Albatross Musical Theatre Company	\$3,061
Connecting Men – Reaching Out and Speaking Up	Mentoring Men	\$7,396
Our Mia Mia School Based Health Care – Dental Equipment	NOWRA EAST PUBLIC SCHOOL PARENTS AND CITIZENS ASSOCIATION INC	\$10,877
Nowra Refuge Furniture	SAHSSI	\$3,000
Nowra Youth Centre's "School Holiday Program" 2021/2022	Nowra Youth Centre	\$3,000
Look Good Feel Better	Cancer Patients Foundation	\$3,000
Bomaderry Public School Grow to Learn Garden	Bomaderry Public School P&C ASSN	\$5,000
'Kidscape' – an arts and music group learning program for children with hearing loss and their families in Shoalhaven area	The Shepherd Centre - For Deaf Children	\$1,940
Shoalhaven Domestic and Family Violence Committee	Shoalhaven Domestic and Family Violence Committee	\$2,975
Essential Trauma Care Training for First Responders	CareFlight	\$4,000
The Disability Trust Sports and Recreation Programs for Kids	The Disability Trust	\$6,964
Connecting Hearts in Need	HeartKids Limited	\$2,250

GIVING BACK TO CLUB GRANTS RECEPIENTS

Albatross Musical Theatre

Can Assist

Cancer Council NSW

Clubs 4 Clubs

Clubs NSW Illawarra Shoalhaven

HMAS Albatross Golf

Nowra Albatross Vikings AFL

Nowra Bomaderry Jets Rugby League

Football Club

Nowra RSL Sub Branch

Nowra Warriors Junior Rugby League

Football Club

Retired Police Association

Rosie's Golf Day

Shoalhaven Breast Cancer Support

Shoalhaven District Cricket Association

Shoalhaven Ex Services Club Snooker

Shoalhaven Ex Services Group
Cricket Club

Shoalhaven Ex Services Group
Fishing Club

Shoalhaven Rugby Union Club

Shoalhaven United Football Club

South Coast Group 7 Rugby League

South East Phoenix Football Club

Southern Bass Fishing Club

SSAA

Street Rodders

TPI

Veterans Benevolent Fund

Warnick Craft Cottage

Wildlife Rescue

Worrigee Sports Bowling Club

Worrigee Sports Bowls

Worrigee Sports Mens Golf

Worrigee Sports Social Bowlers

Worrigee Sports Social Golf

Worrigee Sports Vets Golf Club

Worrigee Sports Womens Golf

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



CONTENTS

DIRECTORS' REPORT	14
INDEPENDENT AUDIT REPORT	18
AUDITOR'S INDEPENDENCE DECLARATION	20
STATEMENT OF PROFIT OR LOSS & COMPREHENSIVE INCOME	21
STATEMENT OF FINANCIAL POSITION	22
STATEMENT OF CHANGES IN EQUITY	23
STATEMENT OF CASH FLOWS	24
NOTES TO THE FINANCIAL STATEMENTS	25
DIRECTORS' DECLARATION	45
DISCLAIMER ON ADDITIONAL FINANCIAL INFORMATION	46
SUPPLEMENTARY INFORMATION	47

DIRECTOR'S 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	12,531

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:

DIRECTOR'S REPORT

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

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

DIRECTOR'S REPORT

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

SUZANNE DENDLE

Director - Former

Resigned 10/12/2021

DIRECTORS' REPORT

Qualifications, experience, and special duties:

Member Board of Directors 4 years

Veterans Welfare Advocate

Club Directors Institute Member

Mandatory Director Training Completed

Director - Former

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



DIRECTOR'S REPORT

Summary of Meeting Attendances:

12 ordinary meetings were held during the year.

	Number of Meetings Eligible To Attend	Number of Meetings Eligible To Attend
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 20 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



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
AB.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



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

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

		2022	2021
	NOTE	\$	\$
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)
Profit before income tax	3	1,758,238	2,326,161
Income tax expense		-	-
Profit (loss) attributable to members of the company		1,758,238	2,326,161
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of Land and Buildings, 31 March 2021	8	-	(304,877)
Other comprehensive income for the year, net of tax		-	(304,877)
Total comprehensive income (loss) attributable to members of the company		1,758,238	2,021,284

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2022

		2022	2021
	NOTE	\$	\$
CURRENT ASSETS			
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
TOTAL CURRENT ASSETS		2,734,415	4,003,071
NON-CURRENT ASSETS			
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
TOTAL NON-CURRENT ASSETS		38,943,109	40,198,763
TOTAL ASSETS		41,677,524	44,201,834
CURRENT LIABILITIES			
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
TOTAL CURRENT LIABILITIES		3,464,812	2,648,212
NON-CURRENT LIABILITIES			
Borrowings	13	708,010	5,829,339
Long term provisions	14	89,404	67,226
TOTAL NON-CURRENT LIABILITIES		797,414	5,896,565
TOTAL LIABILITIES		4,262,226	8,544,777
NET ASSETS		37,415,298	35,657,057
EQUITY			
Reserves	16	13,682,872	13,682,872
Retained earnings		23,732,426	21,974,185
TOTAL EQUITY		37,415,298	35,657,057

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	RETAINED PROFITS	RESERVES	TOTAL
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	21,974,185	13,682,872	35,657,057
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	23,732,426	13,682,872	37,415,298

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

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
NOTE	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	19,337,899	17,144,205
Payments to suppliers and employees	(15,43,771)	(12,810,541)
Interest received	75	439
Borrowing costs paid	(93,907)	(124,673)
Net cash provided by (used in) operating activities	3,600,296	4,209,430
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	97,710	2,521
Payments for property, plant and equipment	(1,356,902)	(5,429,292)
Net cash provided by (used in) investing activities	(1,259,192)	(5,426,771)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	93,254	3,923,038
Repayment of borrowings	(4,817,593)	(1,139,136)
Net cash provided by (used in) financing activities	(4,724,339)	2,783,902
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	833,616	3,216,851

4

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 MSB 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 MSB 15: Revenue from Contracts with Customers (MSB 15) and MSB 1058: Income of Not-for-Profit Entities (MSB 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:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

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

Class of Fixed Asset	Depreciation Rate
Buildings and Course	2.5% - 4.0%
Plant and Equipment	5.0% - 40.0%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
2 Revenue		
Revenue		
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>
Other Income		
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
Job Keeper	-	1,332,000
Cash Flow Booster	-	100,000
JobSaver Income	553,068	-
	<u>940,307</u>	<u>1,461,173</u>
Total revenue and other income	<u>19,260,679</u>	<u>17,263,608</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

4 Cash and Cash Equivalents

Current

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.

Reconciliation of cash

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>

5 Trade and Other Receivables

Current

Trade Debtors	196,986	294,655
Less: Provision for Doubtful Debts	-	(2,720)
	<u>196,986</u>	<u>291,935</u>
Other Debtors	1,138,424	-
	<u>1,335,410</u>	<u>291,935</u>

6 Inventories

Current

Stock on Hand - Other	199,849	263,643
Stock on Hand - Bar	113,994	119,631
	<u>313,843</u>	<u>383,274</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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

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 Worrigeer 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
	38,402,957	1,356,901	(8,894)	(1,709,824)	38,041,140

9 Right of Use Assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

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

10 Investment Property

Land and Buildings - Investment Properties

Land and Buildings - Investment Properties

Movements in carrying amounts

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

	Carrying Value				Carrying Value
	1 Apr 2021	Additions	Disposals	Depreciation	31 Mar 2022
Land and Buildings -	840,000	-	840,000	-	-
Investment Property	840,000	-	840,000	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

11 Intangible Assets

Poker Machine Entitlements - at Cost	762,730	762,730
Total	762,730	762,730

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				Carrying Value
	1 Apr 2021	Additions	Disposals	Depreciation	31 Mar 2022
Poker machines	762,730	-	-	-	762,730
Entitlements - at Cost	762,730	-	-	-	762,730

12 Trade and Other Payables

Current	1,521,436	1,163,253
Trade Creditors and Accrued Expenses	1,521,436	1,163,253

13 Borrowings

Current		
Hire Purchase Liability	148,689	115,166
Commonwealth Bank Loan	722,798	361,095
Lease Liability	53,650	51,886
	925,137	528,147
Non-Current		
Hire Purchase Liability	89,793	154,200
Lease Liability	88,700	142,350
Commonwealth Bank Loan	529,517	5,532,789
	708,010	5,829,339

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

The following security is held by the Commonwealth Bank of Australia on the overdraft facility, loans and guarantees:

- i) Registered mortgage over the Club's land and buildings situated at Junction Street, Nowra
- ii) Registered mortgage over the Club's land and buildings situated at Greenwell Point Road, Worrigea
- iii) Registered equitable mortgage debenture over the whole of the Club's assets.

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. 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.

14 provisions

Current

Provision for Holiday and Sick Pay	432,652	375,290
Provision for Long Service Leave	269,416	258,032
	702,068	633,322

Non-Current

Provision for Long Service Leave	89,404	67,226
----------------------------------	---------------	---------------

Aggregate Employee Benefit Liability	791,473	700,548
---	----------------	----------------

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

15 Other Liabilities

Current

Income in Advance	316,171	323,490
-------------------	---------	---------

16 Reserves

Asset Revaluation Reserve	13,628,400	13,628,400
Capital Redemption Reserve	54,472	54,472
	<u>13,682,872</u>	<u>13,682,872</u>

17 Capital and Leasing Commitments

Finance Lease Commitments

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	<u>238,482</u>	<u>269,366</u>
Present value of minimum lease payments	<u>238,482</u>	<u>269,366</u>

18 Key Management Personnel Compensation

Total Compensation	<u>274,858</u>	<u>269,403</u>
--------------------	----------------	----------------

19 Directors Remuneration

Honoraria and Expenses	1,000	1,500
Training and Conferences	49,209	17,224
Meals and Refreshments	21,581	4,980
	<u>71,790</u>	<u>23,704</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

20 Related Party Transactions

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	<u>131</u>	<u>165</u>
Brendan & Lauren Sturgiss - Total remuneration paid for wages and superannuation - Related party of director G.Sturgiss	<u>106,072</u>	<u>98,947</u>
Phillip Viret - Southern Tinting Solutions	<u>-</u>	<u>3,150</u>

21 Financial Risk Management

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:

Financial Assets

Financial assets at amortised cost:

- Cash and cash equivalents	<u>833,616</u>	<u>3,216,851</u>
- Trade and other receivables	<u>1,322,508</u>	<u>291,935</u>
Total Financial Assets	<u>2,156,124</u>	<u>3,508,786</u>

Financial Liabilities

Financial Liabilities at amortised cost

- Trade and other payables	<u>1,488,642</u>	<u>1,163,253</u>
- Borrowings	<u>1,633,147</u>	<u>6,357,486</u>
Total Financial Liabilities	<u>3,121,789</u>	<u>7,520,739</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$

22 Fair Value Measurements

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.

Recurring fair value measurements

Property, plant and equipment		
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>

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

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



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

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

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

These statements should be read in conjunction with the attached disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

	2022	2021
	\$	\$
Gaming Trading		
Net Clearances	<u>10,907,260</u>	<u>9,994,975</u>
	<u>10,907,260</u>	<u>9,994,975</u>
Less Expenses		
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	<u>378,333</u>	<u>306,358</u>
	<u>3,791,844</u>	<u>3,484,065</u>
NET PROFIT	<u>7,115,416</u>	<u>6,510,910</u>

These statements should be read in conjunction with the attached disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Bistro Trading		
Bistro Sales	1,222,683	1,060,044
Function Sales	125,370	45,242
Less: Cost of Goods Sold	591,690	483,775
Gross Profit	756,364	621,512
Add: Other Income		
Bistro Points Income	52,577	30,010
Less Expenses		
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	-
	784,933	567,796
Net Profit To P&L Statement	24,008	83,725

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Course Trading		
Pro Shop Takings		
Golf/Access. Sales	68,151	50,713
Food and Bev. Sales	32,034	32,146
	<u>100,185</u>	<u>82,859</u>
Less: Cost of Goods Sold		
Food and Bev. Purch	15,603	12,943
Golf Access. Purch.	49,950	19,664
	<u>65,553</u>	<u>32,607</u>
Gross Profit	34,632	50,252
Other Income		
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>

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Course Trading Cont.		
Less Expenses		
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 Sub Group	1,116	582
Sponsorship	-	-
Promotional Golf Day	-	-
Sundry Golf Expenses	1,800	6,231
	<u>677,876</u>	<u>657,104</u>
NET PROFIT	<u>(75,323)</u>	<u>291</u>
Pro Am Trading		
Pro Am Sponsorship	2,273	545
Catering & Entertainment	-	-
	<u>2,273</u>	<u>545</u>
Less Expenses		
Catering & Entertainment	-	-
Prizes	-	-
	<u>-</u>	<u>-</u>
Net Profit To P&L Statement	<u>2,273</u>	<u>545</u>

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Greens Trading		
Greens Income	7,235	10,413
Less Expenses		
Greens Electricity	1,065	5,860
Greens Fertiliser & Chemicals		
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>
NET PROFIT	<u>(82,105)</u>	<u>(91,303)</u>

	2022	2021
	\$	\$
Commission Trading		
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	141,904	118,016
	<u>296,893</u>	<u>259,303</u>
Less Expenses		
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	25,309	11,577
	<u>104,853</u>	<u>75,349</u>
NET PROFIT	<u>192,040</u>	<u>183,954</u>

These statements should be read in conjunction with the attached disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Growers Shoalhaven		
Growers Revenue		
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>
Other Income		
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>
Total Income	<u>495,506</u>	<u>307,838</u>

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Growers Project (cont'd)		
Less Expenses		
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
Total expenses	<u>893,394</u>	<u>488,561</u>
Net Profit To P&L Statement	<u>(397,888)</u>	<u>(180,723)</u>

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
PROFIT AND LOSS STATEMENT		
INCOME		
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	83,954
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>
TOTAL INCOME	<u>8,813,102</u>	<u>8,881,238</u>

These statements should be read in conjunction with the attached
disclaimer of Booth Partners.

SUPPLEMENTARY INFORMATION

DEPARTMENTAL PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	\$	\$
Profit and Loss Statement (cont'd)		
LESS: EXPENDITURE		
Administration Expense		
Consultancy Fees	21,222	39,030
Finance Expense	238,534	241,934
Administration Expenses	626,058	51 9,680
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		
EnVMusic	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	63,742
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>
TOTAL EXPENSES	<u>7,054,864</u>	<u>6,555,077</u>
NET PROFIT	<u>1,758,238</u>	<u>2,326,161</u>

These statements should be read in conjunction with the attached disclaimer of Booth Partners.