

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021

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The financial report was authorised for issue by the Directors on 9 November 2021. The Company has the power to amend and re-issue the financial report.

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

DIRECTORS' REPORT

Your Directors present their report for the financial year ended 30 June 2021.

1. The names of the Directors during the year and to the date of this report are:

Name	Position	Occupation/ Qualifications	Years as a Director
Ronald Curry	President	Retired	19
Peter Beesley	Treasurer	Retired	15
Terry Dellar	Director	Business Owner	9
Rowan Butt	Director	Retired	3
John Olive	Director	Retired	1
David Griffen	Director	Business Owner	1
Jen Grimmond	Director	Retired	1

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

2. Activities

The principal activities of the Company in the course of the financial year ended 30 June 2021 were:

The running of a licensed Club for the benefit of its members and to meet the Company's objectives under its constitution.

3. Objectives of the Club

The Club's short and long term objectives are to;

Provide the best facilities available to members and their guests with a special interest in the welfare of the returned service league and the promotion of the sport of golf.

To achieve these objectives the Club has adopted the following strategies;

Maintain or increase existing revenue levels and control costs to return to profitability which will allow the Club's premises to be continually improved.

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

4. Results

The net result of operations after applicable income tax was a profit of \$525,606 (2020 loss of \$1,965).

5. Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2021 has been received and is set out on page 4 of the financial report.

Company may decide to engage the auditor in addition to their statutory audit where the auditor's expertise and experience with the Club is important.

6. Limited by Guarantee

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any obligations of the Club. At 30 June 2021 the collective liability of members was \$5,434 (2020 \$5,464).

7. Dividends

The Company being a non-profit organisation is prevented from paying dividends by its constitution.

8. Environmental Regulations

The Company's operations are subject to various environmental regulations under both State and Commonwealth Legislations. The Directors are not aware of any breaches of the legislation during the financial year, which are material in nature.

TILLIGERRY RSL SPORTS CLUB LIMITED
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DIRECTORS' REPORT

9. Meeting Attendances

The number of Board meetings held during the financial year ended 30 June 2021 was 13, being 12 normal Board meetings and 1 special meeting. The details of each Directors attendance at those meetings is given below:-

<u>Director</u>		<u>Normal</u>	<u>Special</u>	<u>No. Held while in Office</u>
Ronald Curry		11	1	13
Peter Beesley		10	1	13
Terry Dellar		10	1	13
Rowan Butt		11	1	13
John Olive.	Appointed 21 December 2020	6	-	7
David Griffen	Appointed 17 May 2021	2	-	2
Jen Grimmond	Appointed 17 May 2021	2	-	2
Joanne Jackson	Resigned 30 April 2021	10	1	11
David Jamieson	Resigned 22 February 2021	7	-	8
Rodney Key	Resigned 16 November 2020	4	1	5

The Annual General Meeting was held on the 22 November 2020.

10. Property Report

The Directors have determined that all property of the Club shall be classified as follows in accordance with S41J of the Registered Clubs Act:-

Core Property

Lot 451, Lemon Tree Passage Road, Tanilba Bay owned by Club.
 Golf Club land and buildings and course are leased from NSW Trade and Investment.

Non-Core Property

Nil

Signed in accordance with a resolution of the Board of Directors


 Ronald Curry - Director


 Terry Dellar - Director

Date: 9 November 2021

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REASSURANCE AUDIT SERVICES PTY LTD

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
TILLIGERRY RSL SPORTS CLUB LIMITED

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

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Reassurance Audit Services Pty Ltd *Mark Walmsley*
Reassurance Audit Services Pty Ltd Mark Walmsley - Director

Date 2 November 2021
16 Dunbar Street
STOCKTON NSW 2295

Authorised Audit Company
Registered Number: 441724
ABN: 14 164 474 837

16 Dunbar Street
PO Box 31
STOCKTON NSW 2295
Phone: (02) 49201311

REASSURANCE AUDIT SERVICES PTY LTD

TILLIGERRY RSL SPORTS CLUB LIMITED (ACN 003 364 654)

INDEPENDENT AUDIT REPORT TO THE MEMBERS

Opinion

I have audited the financial report of Tilligerry RSL Sports Club Limited, which comprises the statement of financial position as at 30 June 2021 and 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 my opinion, the financial report of Tilligerry RSL Sports Club Limited has been prepared in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30 June, 2021, and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Reports section of my report. I am independent of the registered entity 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 my audit of the financial report in Australia. I have also fulfilled my 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 Tilligerry RSL Sports Club Limited, would be in the same terms if given to the directors as at the time of this audit report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Regarding Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of matters described in Note 2 (Deficiency in Working Capital) and Note 23 (COVID 19 Pandemic) to the financial statements there is uncertainty as to whether the club will be able to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

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TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

INDEPENDENT AUDIT REPORT TO THE MEMBERS

Responsibilities of Directors and Those Charged with Governance for the Financial Report

Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the Corporations Act 2001, and for such internal control as Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, where due to fraud or error.

In preparing the financial report, 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 Directors either intends to liquidate the company or cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance that 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain profession scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

INDEPENDENT AUDIT REPORT TO THE MEMBERS

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Reassurance Audit Services Pty Ltd

Reassurance Audit Services Pty Ltd

Mark Walmsley

Mark Walmsley - Director

Date 9 November 2021
16 Dunbar Street
STOCKTON NSW 2295

TILLIGERRY RSL SPORTS CLUB LIMITED
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DIRECTORS' DECLARATION

The Directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 9 to 21 are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards in Australia - Reduced Disclosure Requirements, the Corporations Act 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the Company.
- 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 and signed for on behalf of the Directors by:


Ronald Curry - Director


Terry Dellar - Director

Date: 9 November 2021

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
CURRENT ASSETS			
Cash and Cash Equivalents	7	466,069	165,180
Trade and Other Receivables	8	34,230	132,055
Inventories	9	61,578	32,837
Other Assets	10	189,394	150,908
TOTAL CURRENT ASSETS		751,271	480,980
NON-CURRENT ASSETS			
Property, Plant and Equipment	11	2,657,513	2,318,393
Intangible Assets	12	140,369	140,369
Right of Use Assets	13	77,787	114,028
TOTAL NON-CURRENT ASSETS		2,875,669	2,572,790
TOTAL ASSETS		3,626,940	3,053,770
CURRENT LIABILITIES			
Trade and Other Payables	14	250,327	333,673
Borrowings	15	466,498	414,262
Provisions	16	251,936	236,216
Other Liabilities	17	156,663	100,101
TOTAL CURRENT LIABILITIES		1,125,424	1,084,252
NON-CURRENT LIABILITIES			
Borrowings	15	1,146,534	1,165,260
Provisions	16	18,320	11,739
Other Liabilities	17	25,448	6,911
TOTAL NON-CURRENT LIABILITIES		1,190,302	1,183,910
TOTAL LIABILITIES		2,315,726	2,268,162
NET ASSETS		1,311,214	785,608
MEMBERS' FUNDS			
Accumulated Profits		1,311,214	785,608
TOTAL MEMBERS' FUNDS		1,311,214	785,608

To be read in conjunction with the attached notes to the Financial Statements

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

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

	Note	2021 \$	2020 \$
Bar Sales		1,207,636	1,028,801
Cost of Goods Sold		545,533	464,455
Bar Gross Profit (\$)		662,103	564,346
Bar Gross Profit (%)		54.83%	54.85%
Poker Machine Net Revenue		2,056,017	1,136,429
Paper Gaming Commissions		117,681	124,906
Members Subscriptions		29,760	27,349
Interest Received		7	-
Golf Course Income		627,876	597,533
Profit on Sale of Fixed Assets		25,364	11,000
Other Income		593,241	629,359
Total Trading and Other Income		4,112,049	3,090,922
Expenses			
Bar Direct Expenses		389,091	280,289
Poker Machine Direct Expenses		516,310	282,497
Paper Gaming Direct Expenses		94,287	75,779
Golf Course Expenses		640,759	580,416
Member Amenities		604,707	563,473
Clubhouse Expenses		313,513	252,379
Administration Expenses		940,028	978,169
Borrowing Expenses		87,748	79,885
Total Expenses		3,586,443	3,092,887
Net Profit/(Loss) Before Income Tax		525,606	(1,965)
Income Tax Expense	6	-	-
Net Profit/(Loss) After Income Tax		525,606	(1,965)
Other Comprehensive Income		-	-
Total Comprehensive Income/(Loss)		525,606	(1,965)

To be read in conjunction with the attached notes to the Financial Statements

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
Cash Flows from Operating Activities		
Receipts from Members and Guests	5,206,560	3,743,421
Payments to Suppliers and Employees	(4,151,894)	(3,637,786)
Interest Received	7	-
Interest Paid	(87,748)	(79,885)
<i>Net Cash Flows provided by (used in) Operating Activities</i>	966,925	25,750
Cash Flows from Investing Activities		
Proceeds from Sale of Property, Plant and Equipment	25,364	11,000
Payments for Property, Plant and Equipment	(408,626)	(195,825)
<i>Net Cash Flows provided by (used in) Investing Activities</i>	(383,262)	(184,825)
Cash Flows from Financing Activities		
Proceeds from Borrowings	213,067	621,360
Hire Purchase and Lease Liability Payments	(156,302)	(131,501)
Repayments of Borrowings	(320,222)	(297,852)
<i>Net Cash Flows provided by (used in) Financing Activities</i>	(263,457)	192,007
<i>Net Increase/(Decrease) in Cash Held</i>	320,206	32,932
Cash and Cash Equivalents at the Beginning of the Financial Year	145,863	112,931
Cash and Cash Equivalents at the End of the Financial Year	466,069	145,863

To be read in conjunction with the attached notes to the Financial Statements

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Opening Balances 1 July 2020			
Accumulated Profits		785,608	787,573
Comprehensive Income/(Loss) for the year		525,606	(1,965)
Closing Balances 30 June 2021			
Accumulated Profits		<u>1,311,214</u>	<u>785,608</u>

To be read in conjunction with the attached notes to the Financial Statements

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

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

1 Statement of Significant Accounting Policies

Basis of Preparation

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Tilligerry RSL Sports Club Limited is a not for profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report has been prepared on an accrual basis and is based on historical costs. The financial report is presented in Australian Dollars.

The following is a summary of the significant accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Statement of Compliance

The financial report complies with Australian Accounting Standards - Reduced Disclosure Standards as issued by the Australian Accounting Standards Board (AASB) being AASB1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

Income Tax

Income tax payable is calculated in accordance with the provisions of the Income Tax Assessment Act dealing with the Registered Clubs and Associations.

Deferred Tax Assets and Liabilities are recognised for deductible and temporary differences where considered material. Deferred tax assets in respect of unused tax losses are only recognised to the extent it is probable that a taxable profit will be available against which deductible temporary differences and carried forward tax losses can be utilised if material.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on the tax rates (and tax law) that have been enacted or substantively enacted at the statement of financial position date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the statement of profit or loss and other comprehensive income.

Inventories

Inventories are measured at the lower of cost and current replacement value.

Trade Debtors and Other Receivables

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost, less any impairment losses. Trade receivables are due within 30 days from the date of recognition. The recoverability of trade debtors is reviewed regularly, with any uncollectible debts written off.

Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cashflows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Intangible Assets

Intangible assets acquired separately are capitalised at cost, the useful lives of these intangible assets are assessed to be either infinite or indefinite. Those with finite lives are amortised over that period on a straight line basis. Intangible assets are tested for impairment annually and where an indicator for impairment exists.

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

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

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Building Improvements	13 to 25 years
Plant and Equipment	3 to 25 years
Poker Machines	4 to 8 years

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generated unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generated units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the future economic benefits of an asset are not dependant on the asset's ability to generate net cash inflows and if deprived of the asset the Company would replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income in the administration expense line item.

Borrowing Costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Hire Purchase

Assets acquired under hire purchase agreements are brought to account at cost together with a corresponding hire purchase liability and unexpired terms charges and are depreciated on a straight line basis over their estimated economic life to the Company. Terms charges are written off over the period of the agreements.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Revenue from membership subscriptions is recognised upon receipt of money for the period to which the membership relates.

Sales revenue comprises the revenue earned from the provision of products or services to entities outside the Company.

Interest income is recognised as it accrues.

The profit or loss on disposal of an asset is brought to account at the date an unconditional contract is signed.

Other revenue is recognised as it accrues.

Accounts Payable

Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days.

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

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

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables are stated with the amount of GST included. The amount of GST recoverable or payable to the ATO is included as a current asset or current liability in the statement of financial position. Cash flows are included in the statement of cashflows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

Employee Benefits

Short Term

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other Long Term

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration. The term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

At inception, a right of use asset and a lease liability is recognised. Right of use assets are included in the statement of financial position and grouped in classes of similar underlying assets.

Right of use assets are initially measured at cost, comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- an estimate of costs to be incurred in dismantling and removing the underlying asset;
- any initial direct costs incurred.

The Company does not recognise leases that have a lease term of less than 12 months or are of low value as a right of use asset or lease liability.

2 Deficiency in Working Capital

As at 30 June 2021 current assets of the Club were \$751,271 compared to current liabilities of \$1,125,424 representing a deficiency in working capital of \$374,153. Despite this deficiency the financial report has been prepared on a going concern basis, that is the continuity of normal business operations and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Club's ability to continue as a going concern is dependant upon:

- (i) The continued support of the lending provider;
- (ii) Controlling of wage costs, stock and promotional costs in order to realise expected cost savings;

TILLIGERRY RSL SPORTS CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Deficiency in Working Capital (cont.)

- (iii) Continued support of trading suppliers;
- (iv) Improvement in trading revenues in particular bar and poker machine operations;
- (v) Sale of non-current assets such as poker machine licenses which are no longer required by the Company;
- (vi) Ability of the Company to obtain payment plans with the Australian Taxation Office and to meet the terms agreed in such arrangements.

These factors are the basis upon which the Directors have determined that the going concern basis is appropriate in the preparation of the financial report.

If the Club is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in this financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Club not continue as a going concern.

3 Registered Office

The registered address of the Club is Lemon Tree Passage Road, Tanilba Bay NSW 2319.

4 Operating Revenue

	2021	2020
	\$	\$
Bar Sales	1,207,636	1,028,801
Poker Machine Net Revenue	2,056,017	1,136,429
Interest Received/Receivable	7	-
Profit on Sale of Assets	25,364	11,000
Paper Gaming Commission	117,681	124,906
Golf Course Income	627,876	597,533
Other	607,101	645,308
Total	4,641,682	3,543,977

5 Operating Profit

Operating profit/(loss) before income tax is arrived at after crediting and charging the following specific items:-

Credits

Interest Received/Receivable	7	-
Profit on Sale of Assets	25,364	11,000

Charges

Depreciation		
- Bar	11,238	11,223
- Poker Machines	100,265	92,827
- Plant and Equipment	102,738	16,201
- Golf Course	68,961	54,793
Total Depreciation	283,202	175,044
Amortisation	36,240	99,623
Interest and Finance Costs	87,748	79,885
Loss on Sale of Assets	-	-

TILLIGERRY RSL SPORTS CLUB LIMITED
(ACN 003 364 654)

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

		2021	2020
		\$	\$
6	Income Tax Expense		
	a) The aggregate amount of income tax attributable to the financial year differs to the amount calculated on the operating profit. The difference is reconciled as follows:-		
	Operating profit/(loss) before income tax	525,606	(1,965)
	Income Tax thereon @ 30%	157,682	(590)
	Non Deductible Expenses	6,051	8,283
	Apportionment Adjustment Members Income and Expenses	(137,140)	11,431
	Timing Differences not Brought into Account	(4,604)	(3,436)
	Deferred Tax Asset for Tax Losses not Brought into Account	(21,989)	(15,688)
	Income Tax Expense/(Benefit)	-	-
	b) The Directors estimate that the potential Deferred Tax Asset at 30 June 2021 in respect of tax losses not brought into account is:-	122,900	144,889
	The benefit for tax losses will only be obtained if:-		
	i) the Company drives future assessable income in the nature and of amount sufficient to enable the benefit from deductions for the losses to be realised;		
	ii) the Company continues to comply with the conditions for deductibility imposed by the tax legislation; and		
	iii) no changes in tax legislation adversely affect the Company in realising the benefit from the deductions for the losses.		
7	Cash and Cash Equivalents		
	Cash and Cash Equivalents	466,069	165,180
		466,069	165,180
8	Trade and Other Receivables		
	Current		
	Other Debtors	34,230	132,055
		34,230	132,055
9	Inventories		
	Stock on Hand	61,578	32,837
		61,578	32,837
10	Other Assets		
	Current		
	Prepayments	189,394	150,908
		189,394	150,908

TILLIGERRY RSL SPORTS CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

11 Property, Plant and Equipment

	Land, Building, Improvements & Golf Course	Poker Machines	Plant & Equipment	Total
Year ended 30 June 2021	\$	\$	\$	\$
At 1 July 2020,				
Net of Accumulated Depreciation/Amortisation	1,791,772	268,710	257,911	2,318,393
Additions	403,112	172,411	47,007	622,530
Disposals	-	-	-	-
Depreciation/Amortisation	(126,394)	(100,472)	(56,544)	(283,410)
At 30 June 2021				
Net of Accumulated Depreciation/Amortisation	<u>2,068,490</u>	<u>340,649</u>	<u>248,374</u>	<u>2,657,513</u>
At 1 July 2020				
Cost or Fair Value	3,074,182	1,346,749	843,272	5,264,203
Accumulated Depreciation/Amortisation	(1,282,410)	(1,078,039)	(585,361)	(2,945,810)
Net Carrying Amount	<u>1,791,772</u>	<u>268,710</u>	<u>257,911</u>	<u>2,318,393</u>
At 30 June 2021				
Cost or Fair Value	3,477,294	1,393,810	857,553	5,728,657
Accumulated Depreciation/Amortisation	(1,408,804)	(1,053,161)	(609,179)	(3,071,144)
Net Carrying Amount	<u>2,068,490</u>	<u>340,649</u>	<u>248,374</u>	<u>2,657,513</u>

Assets under hire purchase and lease contracts are pledged as security for the related hire purchase and lease liabilities. The National Australia Bank also holds a fixed and floating charge over the company as detailed in Note 18.

The land and buildings at Lot 451, 5 Reliance Blvd, Taniilba Bay was valued by Robertson and Robinson Valuers on 25 June 2018 for \$1,850,000.

	2021	2020
	\$	\$
12 Intangible Assets		
Non-Current		
Poker Machine Entitlements	140,369	140,369
	<u>140,369</u>	<u>140,369</u>

13 Leases

The Company leases several assets including the golf course, golf clubhouse land and POS system.

Right of Use Asset - Non Current	<u>77,787</u>	114,028
	<u>77,787</u>	<u>114,028</u>

Reconciliation of Right of Use Assets

	Golf Course	Golf Clubhouse	POS System	Total	Total
As at 1 July 2020	8,616	69,547	35,895	114,058	-
Additions	-	-	-	-	-
Depreciation	1,914	15,453	18,904	36,271	-
30 June 2021	<u>6,702</u>	<u>54,094</u>	<u>16,991</u>	<u>77,787</u>	-

TILLIGERRY RSL SPORTS CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

13 Leases (cont)

The amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income relating to leases where the Company is a lessee are shown below

	Total	Total
Interest	4,835	5,147
Amortisation	36,242	36,242
	<u>41,077</u>	<u>41,389</u>

14 Trade and Other Payables

GST Payable	41,816	(17,520)
Trade Creditors	183,344	329,019
Payroll Clearing Account	25,167	22,174
	<u>250,327</u>	<u>333,673</u>

15 Borrowings

Current

Bank Overdraft	-	19,317
Hire Purchase Liability	127,083	126,845
Lease Liability	31,096	38,416
Loan - Gaming Duty	7,692	-
Loan - Insurance	164,577	124,684
Loan - National Australia Bank (Secured)	136,050	105,000
	<u>466,498</u>	<u>414,262</u>

Non Current

Hire Purchase Liability	238,603	63,590
Lease Liability	55,094	81,733
Loan - National Australia Bank (Secured)	852,837	1,019,937
	<u>1,146,534</u>	<u>1,165,260</u>

For security details refer to Note 19.

16 Provisions

Current

Provision for Annual Leave	138,232	107,752
Provision for Long Service Leave	113,704	128,464
	<u>251,936</u>	<u>236,216</u>

Non Current

Provision for Long Service Leave	18,320	11,739
	<u>18,320</u>	<u>11,739</u>

17 Other Liabilities

Current

Income in Advance	156,663	100,101
	<u>156,663</u>	<u>100,101</u>

Non Current

Income in Advance	25,448	6,911
	<u>25,448</u>	<u>6,911</u>

TILLIGERRY RSL SPORTS CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

18 Related Parties

Directors

The names of persons who were Directors of the Company at any time during the year are as they appear in the attached Directors Report.

The daughter of director, Terry Dellar was employed by the Club under normal award terms and conditions.

R. Curry and/or their related entities provided goods and services to the Club throughout the year on normal commercial terms and conditions. Outstanding amounts are unsecured and under normal trade terms. No expense for bad debts has been recognised nor any provision made at balance date.

	Total Transactions	Amounts Outstanding at 30 June 2021
Related Parties	\$	\$
R. Curry - Tilligerry Quality Meats	51,365	-

Key Management personnel received the following benefits during the financial year:

Short Term Employment benefits	159,041	152,119
Long Term Employment benefits	-	-
Post Employment benefits	15,239	15,144
	<u>174,280</u>	<u>167,263</u>

19 Contingent Liabilities

Bank Guarantees

The Club has a bank guarantee in the amount of \$5,000 required to be provided in relation to its TAB facility.

Security

The National Australia Bank holds a security over Lot 451, Lemon Tree Passage Road, Tanilba Bay and interest and floating charge over all of the present and future rights and understandings of Tilligerry RSL Sports Club Limited in respect of the business loan, the guarantee noted above. The bank overdraft facility of \$60,000 has not been utilised and the asset financing facility totalling \$480,000 has been utilised to the value of \$365,686 as at 30 June 2021.

20 Commitments for Expenditure

Capital Commitments

The Club has committed to the following capital expenditure since balance date. (2020 \$87,726)

Awning	28,000
Furniture	58,000
Outdoor Smoking Area	3,190

Non Cancellable Rental Agreements

Total commitments in respect of rental agreements are as follows:-

	2021	2020
	\$	\$
Not later than one year	13,164	62,796
Later than one year and not later than five	-	89,967
Later than five years	-	-
	<u>13,164</u>	<u>152,763</u>

TILLIGERRY RSL SPORTS CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

21 Cashflow Reconciliation

Cash at Bank	466,069	165,180
Bank Overdraft	-	(19,317)
	<u>466,069</u>	<u>145,863</u>

22 New and Revised Accounting Standards

During the current year, the company adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

AASB 1060 - General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not for-Profit Tier 2 Entities (applicable to annual reporting periods beginning on or after 1 July 2021)

AASB 1060 is a new self-contained standard that sets out all of the disclosure requirements relevant to a Tier 2 General Purpose Financial Statement (GPFS) preparer. The new disclosures have been significantly simplified when compared to either those required by a Tier 1 entity or those required under the AASB's existing Tier 2 Reduced Disclosure Framework (RDR), especially in the areas of revenue, leases, impairment and financial instruments.

23 Impact of Coronavirus (COVID-19)

The impact of the Coronavirus (COVID-19) pandemic continues to cause disruption to the Club's business with ongoing restrictions relating to social distancing.

At the date of signing the financial report the COVID-19 pandemic is ongoing within Australia. Whilst there are increased vaccination rates, due to the nature of a pandemic, it is not practicable to foresee if further restrictions or lockdowns may occur that could have a potential impact on the operations of the Club.

TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

TRADING ACCOUNT	2021	2020
	\$	\$
STATEMENT OF BAR TRADING		
Sales	934,966	816,960
LESS COST OF SALES		
Opening Stock	6,175	23,466
Purchases	457,294	344,850
	<u>463,469</u>	<u>368,316</u>
Closing Stock	41,020	6,175
	<u>422,449</u>	<u>362,141</u>
GROSS PROFIT	<u>512,517</u>	<u>454,819</u>
DIRECT EXPENSES		
Depreciation	6,808	6,827
Freight & Gas	12,133	11,587
Repairs & Maintenance	4,012	4,347
Wages	291,375	194,683
DIRECT EXPENSES	<u>314,328</u>	<u>217,444</u>
NET PROFIT	<u>198,189</u>	<u>237,375</u>
STATEMENT OF POKER MACHINES		
Net Revenue	1,959,755	1,049,462
Hopper Movement	-	43
	<u>1,959,755</u>	<u>1,049,505</u>
DIRECT EXPENSES		
Central Monitoring System	20,262	16,124
Depreciation	100,265	92,827
Promotions	4,883	3,976
Repairs & Maintenance	16,998	13,083
Gaming Device Duty	262,810	73,066
Less: Gaming Tax Rebate	(17,180)	(17,180)
Wages	116,489	77,874
DIRECT EXPENSES	<u>504,527</u>	<u>259,770</u>
NET PROFIT	<u>1,455,228</u>	<u>789,735</u>

Detailed Profit and Loss Statement
Not Covered by Audit Report on Pages 5 to 7
Prepared for the information of Members in the Annual Report

TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
STATEMENT OF PAPER GAMING OPERATIONS		
Keno Commission	78,764	90,311
Tab Commission	23,062	19,694
	<u>101,826</u>	<u>110,005</u>
DIRECT EXPENSES		
Consumables & Maintenance	10,894	12,332
Promotion	942	1,289
Sky Channel	16,011	16,205
Wages	58,244	38,936
DIRECT EXPENSES	<u>86,091</u>	<u>68,762</u>
NET PROFIT	<u>15,735</u>	<u>41,243</u>
STATEMENT OF RAFFLES & BINGO TRADING		
Bingo & Raffle Income	183,698	195,531
LESS COST OF SALES		
Bingo & Raffle Purchases	211,665	213,457
GROSS PROFIT/(LOSS)	<u>(27,967)</u>	<u>(17,926)</u>
DIRECT EXPENSES		
Wages	23,351	21,900
DIRECT EXPENSES	<u>23,351</u>	<u>21,900</u>
NET PROFIT	<u>(51,318)</u>	<u>(39,826)</u>

TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
STATEMENT OF BAR TRADING - GOLF CLUB		
Sales	272,670	211,841
LESS COST OF SALES		
Opening Stock	15,578	6,310
Purchases	117,904	111,582
	<u>133,482</u>	<u>117,892</u>
Closing Stock	10,398	15,578
	<u>123,084</u>	<u>102,314</u>
GROSS PROFIT	<u>149,586</u>	<u>109,527</u>
DIRECT EXPENSES		
Depreciation	4,430	4,396
Repairs & Maintenance	708	436
Wages	69,625	58,013
DIRECT EXPENSES	<u>74,763</u>	<u>62,845</u>
NET PROFIT	<u>74,823</u>	<u>46,682</u>
STATEMENT OF POKER MACHINES - GOLF CLUB		
Net Revenue	96,262	86,924
DIRECT EXPENSES		
Depreciation	207	-
Repairs & Maintenance	2,250	2,427
Duty Tax	(20,717)	(4,562)
Wages	30,043	24,862
DIRECT EXPENSES	<u>11,783</u>	<u>22,727</u>
NET PROFIT	<u>84,479</u>	<u>64,197</u>
STATEMENT OF KENO OPERATIONS - GOLF CLUB		
Commission	15,855	14,901
DIRECT EXPENSES		
Repairs & Maintenance	1,519	1,492
Wages	6,677	5,525
DIRECT EXPENSES	<u>8,196</u>	<u>7,017</u>
NET PROFIT/(LOSS)	<u>7,659</u>	<u>7,884</u>

Detailed Profit and Loss Statement
Not Covered by Audit Report on Pages 5 to 7
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TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
STATEMENT OF GOLF COURSE - GOLF CLUB		
Advertising Income	18,969	20,248
Cart Hire	105,749	98,494
Competition Fees	40,815	42,882
Fuel Tax Credits	6,398	8,790
Green Fees	230,875	219,394
Membership Subscription	115,913	103,659
Merchandise Sales	31,164	24,062
Refreshment Sales	38,234	43,172
Rental Income	46,157	45,622
	634,274	606,323
DIRECT EXPENSES		
Cart Costs	2,596	28,992
Course Maintenance	143,721	82,647
Depreciation	68,961	54,793
Fuel Costs	17,252	27,028
Machinery Costs	38,452	16,733
Merchandise Purchases	17,022	15,661
Refreshment Purchases	17,122	24,947
Rental of Course	-	-
Subscriptions	14,025	15,119
Trophies & Prizes	22,409	16,213
Wages	299,199	298,283
DIRECT EXPENSES	640,759	580,416
NET PROFIT	(6,485)	25,907
TOTAL TRADING PROFIT	1,778,310	1,173,197

Detailed Profit and Loss Statement
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TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

INCOME	2021	2020
	\$	\$
TOTAL TRADING PROFIT	1,778,310	1,173,197
Members Subscriptions	23,362	18,559
Bistro Rent	15,900	11,400
ATM Commissions	42,510	33,154
Other Commissions	1,992	4,357
Exclusivity Rebate	49,037	29,538
Employee FBT Contribution	8,500	8,500
Insurance Recoveries	-	-
Interest Received	7	-
Profit on Sale of Assets	25,364	11,000
Wages Subsidy	2,942	5,454
Sundry Income	288,662	341,425
TOTAL INCOME	2,236,586	1,636,584
 LESS EXPENSES		
 MEMBERS AMENITIES		
Advertising & Promotions	12,452	12,428
Donations	17,338	14,449
Entertainment	72,070	83,508
AGM Expenses	-	1,156
Members Only Promotions	103,988	144,713
Courtesy Bus Expenses	5,829	10,631
Wages - Door & Transport	158,014	52,485
Wages - Child Care	-	8,746
	369,691	328,116
 CLUBHOUSE		
Cleaning Wages	94,467	59,533
Cleaning Materials	17,815	12,015
Electricity, Gas, Heating	96,319	112,875
Rates	18,598	17,555
Repairs & Maintenance	82,515	47,639
Security	3,799	2,762
	313,513	252,379

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TILLIGERRY RSL SPORTS CLUB LIMITED
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DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021

	2021 \$	2020 \$
ADMINISTRATION		
Accountancy & Audit Fees	9,955	10,500
Bank Charges	15,177	11,074
Cash Variances	1,259	5,747
Computer Expenses	19,590	11,614
Depreciation	102,738	16,201
Amortisation	36,240	99,623
Hire of Plant	14,711	16,904
Insurance	175,400	152,682
Insurance - Workers' Compensation	18,371	25,899
Interest	87,748	79,885
Legal Costs	12,628	3,509
Long Service Leave Expense	(8,180)	1,017
Loss on Sale of Fixed Assets	-	-
Out of Pocket Expenses	7,217	9,408
Payroll Tax	7,048	14,760
Postage & Stationery	24,476	17,967
Rent - State Branch	-	-
Staff Amenities & Drinks	10,216	6,071
Subscriptions & Licences	12,089	13,096
Superannuation	134,460	111,464
Telephone	21,559	24,005
Uniforms	-	648
Wages	325,074	425,980
	<u>1,027,776</u>	<u>1,058,054</u>
TOTAL EXPENSES	<u>1,710,980</u>	<u>1,638,549</u>
OPERATING PROFIT/(LOSS)	<u>525,606</u>	<u>(1,965)</u>
RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR	785,608	787,573
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR	<u>1,311,214</u>	<u>785,608</u>

Detailed Profit and Loss Statement
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