

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
**(ACN 003 364 654)**

**FINANCIAL REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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The financial report was authorised for issue by the Directors on 23 October 2023. 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 2023.

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

<b>Name</b>	<b>Position</b>	<b>Occupation/ Qualifications</b>	<b>Years as a Director</b>
Terry Dellar	Director	Business Owner	11
John Olive	Director	Retired	3
Peter Beesley	Treasurer	Retired	17
David Griffin	Director	Business Owner	3
Jen Grimmond	Director	Retired	3
Ross Parsons	Director	Business Owner	1
Ray Harvey	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 2023 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 \$168,248 (2022 profit of \$38,321).

**5. Auditor's Independence Declaration**

The auditor's independence declaration for the year ended 30 June 2023 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 2023 the collective liability of members was \$6,492 (2022 \$5,884).

**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**  
**(ACN 003 364 654)**

**DIRECTORS' REPORT**

**9. Meeting Attendances**

The number of Board meetings held during the financial year ended 30 June 2023 was 11, being 11 normal Board meetings. The details of each Directors attendance at those meetings is given below:-

<u>Director</u>	<u>Normal</u>	<u>No. Held while in Office</u>
Terry Dellar	9	11
John Olive	11	11
Peter Beesley	10	11
David Griffin	9	11
Jen Grimmond	11	11
Ross Parsons - Elected at AGM	7	7
Ray Harvey - Elected at AGM	7	7
Rowan Butt - Not elected at AGM	4	4
Ronald Curry - Did not stand at AGM	3	4

The Annual General Meeting was held on the 27 November 2022.

**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

  
 Terry Dellar - Director

  
 Peter Beesley - Director

**Date: 23 October 2023**

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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 2023 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*

Reassurance Audit Services Pty Ltd

*Mark Walmsley*

Mark Walmsley - Director

Date 16 October 2023  
16 Dunbar Street  
STOCKTON NSW 2295

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**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 2023 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, 2023, and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards – Simplified Disclosure Standard 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 matter described in Note 2 (Deficiency in Working Capital) 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 – Simplified Disclosure Standard, 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      Mark Walmsley - Director

Date 23 October 2023  
16 Dunbar Street  
STOCKTON NSW 2295

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
**(ACN 003 364 654)**

**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 2023 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:



Terry Dellar - Director



Peter Beesley - Director

**Date: 23 October 2023**



**TILLIGERRY RSL SPORTS CLUB LIMITED**  
**(ACN 003 364 654)**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	7	413,633	431,916
Trade and Other Receivables	8	26,166	30,605
Inventories	9	68,842	55,816
Other Assets	10	224,820	186,706
<b>TOTAL CURRENT ASSETS</b>		<b>733,461</b>	<b>705,043</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	11	2,728,828	2,588,448
Intangible Assets	12	140,369	140,369
Right of Use Assets	13	26,061	41,545
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,895,258</b>	<b>2,770,362</b>
<b>TOTAL ASSETS</b>		<b>3,628,719</b>	<b>3,475,405</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	14	312,862	224,238
Borrowings	15	581,400	482,847
Provisions	16	268,698	248,772
Other Liabilities	17	143,224	140,141
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,306,184</b>	<b>1,095,998</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	15	757,240	992,752
Provisions	16	34,630	25,722
Other Liabilities	17	12,882	11,398
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>804,752</b>	<b>1,029,872</b>
<b>TOTAL LIABILITIES</b>		<b>2,110,936</b>	<b>2,125,870</b>
<b>NET ASSETS</b>		<b>1,517,783</b>	<b>1,349,535</b>
<b>MEMBERS' FUNDS</b>			
Accumulated Profits		1,517,783	1,349,535
<b>TOTAL MEMBERS' FUNDS</b>		<b>1,517,783</b>	<b>1,349,535</b>

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 2023**

	Note	2023 \$	2022 \$
Bar Sales		1,459,129	1,007,427
Cost of Goods Sold		658,499	465,550
Bar Gross Profit (\$)		800,630	541,877
Bar Gross Profit (%)		54.87%	53.79%
Catering Sales		174,160	22,728
Cost of Goods Sold		76,930	9,446
Catering Gross Profit (\$)		97,230	13,282
Catering Gross Profit (%)		55.83%	0.00%
Poker Machine Net Revenue		1,868,447	1,554,238
Paper Gaming Commissions		136,490	99,999
Members Subscriptions		27,573	27,218
Interest Received		-	-
Golf Course Income		766,994	674,641
Profit on Sale of Fixed Assets		60,897	16,000
Other Income		399,900	446,917
<b>Total Trading and Other Income</b>		<b>4,158,161</b>	<b>3,374,172</b>
<b>Expenses</b>			
Bar Direct Expenses		417,861	330,419
Catering Direct Expenses		104,085	8,688
Poker Machine Direct Expenses		528,613	431,917
Paper Gaming Direct Expenses		111,988	76,457
Golf Course Expenses		640,663	615,756
Member Amenities		761,776	566,477
Clubhouse Expenses		314,894	276,484
Administration Expenses		1,021,478	958,113
Borrowing Expenses		88,555	71,540
<b>Total Expenses</b>		<b>3,989,913</b>	<b>3,335,851</b>
<b>Net Profit/(Loss) Before Income Tax</b>		<b>168,248</b>	<b>38,321</b>
Income Tax Expense	6	-	-
<b>Net Profit/(Loss) After Income Tax</b>		<b>168,248</b>	<b>38,321</b>
<b>Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/(Loss)</b>		<b>168,248</b>	<b>38,321</b>

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 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Flows from Operating Activities</b>		
Receipts from Members and Guests	5,298,413	4,131,723
Payments to Suppliers and Employees	(4,828,585)	(3,631,849)
Interest Received	-	-
Interest Paid	(88,555)	(71,540)
<i>Net Cash Flows provided by (used in) Operating Activities</i>	381,273	428,334
<b>Cash Flows from Investing Activities</b>		
Proceeds from Sale of Property, Plant and Equipment	69,980	16,000
Payments for Property, Plant and Equipment	(146,759)	(163,365)
<i>Net Cash Flows provided by (used in) Investing Activities</i>	(76,779)	(147,365)
<b>Cash Flows from Financing Activities</b>		
Hire Purchase and Lease Liability Payments	(172,621)	(179,072)
Repayments of Borrowings	(150,156)	(136,050)
<i>Net Cash Flows provided by (used in) Financing Activities</i>	(322,777)	(315,122)
<b>Net Increase/(Decrease) in Cash Held</b>	(18,283)	(34,153)
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>	431,916	466,069
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	413,633	431,916

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 2023**

	Note	2023 \$	2022 \$
<b>Opening Balances 1 July 2022</b>			
Accumulated Profits		1,349,535	1,311,214
Comprehensive Income/(Loss) for the year		168,248	38,321
<b>Closing Balances 30 June 2023</b>			
Accumulated Profits		1,517,783	1,349,535

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 2023**

**1 Statement of Significant Accounting Policies**

**Basis of Preparation**

Tilligerry RSL Sports Club Limited is a not for profit Company Limited by Guarantee, incorporated and domiciled in Australia.

This financial report is a general purpose financial report that has been prepared in accordance with applicable Australian Accounting Standards - Simplified Disclosures and the Corporations Act 2001.

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.

**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 2023**

**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**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**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 2023 current assets of the Club were \$733,461 compared to current liabilities of \$1,306,184 representing a deficiency in working capital of \$572,723. 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**  
**(ACN 003 364 654)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**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**

	2023 \$	2022 \$
Bar Sales	1,459,129	1,007,427
Catering Sales	174,160	22,728
Poker Machine Net Revenue	1,868,447	1,554,238
Interest Received/Receivable	-	-
Profit on Sale of Assets	60,897	16,000
Paper Gaming Commission	136,490	99,999
Golf Course Income	766,994	674,641
Other	411,873	461,835
<b>Total</b>	<b>4,877,990</b>	<b>3,836,868</b>

**5 Operating Profit**

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

**Credits**

Interest Received/Receivable	-	-
Profit on Sale of Assets	60,897	16,000

**Charges**

Depreciation		
- Bar	4,838	10,415
- Poker Machines	105,608	107,840
- Plant and Equipment	111,044	109,921
- Catering	4,935	-
- Golf Course	67,565	70,095
<b>Total Depreciation</b>	<b>293,990</b>	<b>298,271</b>
Amortisation	15,484	36,240
Interest and Finance Costs	88,555	71,540
Loss on Sale of Assets	-	-



**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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	2023	2022
	\$	\$
<b>6 Income Tax Expense</b>		
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	168,248	38,321
Income Tax thereon @ 30%	50,475	11,496
Non Deductible Expenses	4,337	4,337
Apportionment Adjustment Members Income and Expenses	(44,325)	(5,627)
Timing Differences not Brought into Account	956	4,507
Deferred Tax Asset for Tax Losses not Brought into Account	(11,443)	(14,713)
Income Tax Expense/(Benefit)	-	-
b) The Directors estimate that the potential Deferred Tax Asset at 30 June 2023 in respect of tax losses not brought into account is:-	96,744	108,187
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.		
<b>7 Cash and Cash Equivalents</b>		
Cash and Cash Equivalents	413,633	431,916
	413,633	431,916
<b>8 Trade and Other Receivables</b>		
<b>Current</b>		
Other Debtors	26,166	30,605
	26,166	30,605
<b>9 Inventories</b>		
Stock on Hand	68,842	55,816
	68,842	55,816
<b>10 Other Assets</b>		
<b>Current</b>		
Prepayments	224,820	186,706
	224,820	186,706

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**11 Property, Plant and Equipment**

	Land, Building, Improvements & Golf Course	Poker Machines	Plant & Equipment	Total
<b>Year ended 30 June 2023</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
At 1 July 2022,				
Net of Accumulated Depreciation/Amortisation	1,996,848	327,907	263,693	2,588,448
Additions	124,250	223,851	95,351	443,452
Disposals	-	-	(9,084)	(9,084)
Depreciation/Amortisation	(131,723)	(105,608)	(56,657)	(293,988)
At 30 June 2023				
Net of Accumulated Depreciation/Amortisation	<u>1,989,375</u>	<u>446,150</u>	<u>293,303</u>	<u>2,728,828</u>
<b>At 1 July 2022</b>				
Cost or Fair Value	3,537,587	1,431,988	931,368	5,900,943
Accumulated Depreciation/Amortisation	<u>(1,540,739)</u>	<u>(1,104,081)</u>	<u>(667,675)</u>	<u>(3,312,495)</u>
Net Carrying Amount	<u>1,996,848</u>	<u>327,907</u>	<u>263,693</u>	<u>2,588,448</u>
<b>At 30 June 2023</b>				
Cost or Fair Value	3,374,491	1,496,646	757,826	5,628,963
Accumulated Depreciation/Amortisation	<u>(1,385,116)</u>	<u>(1,050,496)</u>	<u>(464,523)</u>	<u>(2,900,135)</u>
Net Carrying Amount	<u>1,989,375</u>	<u>446,150</u>	<u>293,303</u>	<u>2,728,828</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, Tanilba Bay was valued by Robertson and Robinson Valuers on 25 June 2018 for \$1,850,000.

	2023 \$	2022 \$
<b>12 Intangible Assets</b>		
<b>Non-Current</b>		
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	26,061	41,545
	<u>26,061</u>	<u>41,545</u>

Reconciliation of Right of Use Assets

	Golf Course	Golf Clubhouse	Total	Total
As at 1 July 2022	4,817	36,728	41,545	-
Additions	-	-	-	-
Depreciation	1,944	13,540	15,484	-
30 June 2023	<u>2,873</u>	<u>23,188</u>	<u>26,061</u>	<u>-</u>

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**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	2,892	4,474
Amortisation	15,484	36,240
	<u>18,376</u>	<u>40,714</u>

**14 Trade and Other Payables**

GST Payable	45,673	49,423
Trade Creditors	238,383	141,076
Payroll Clearing Account	28,806	33,739
	<u>312,862</u>	<u>224,238</u>

**15 Borrowings**

**Current**

Hire Purchase Liability	146,536	127,654
Lease Liability	17,727	17,727
Loan - Gaming Duty	-	27,936
Loan - Poker Machines	95,418	-
Loan - Insurance	185,669	173,480
Loan - National Australia Bank (Secured)	136,050	136,050
	<u>581,400</u>	<u>482,847</u>

**Non Current**

Hire Purchase Liability	156,422	242,828
Lease Liability	20,081	33,137
Loan - National Australia Bank (Secured)	580,737	716,787
	<u>757,240</u>	<u>992,752</u>

For security details refer to Note 19.

**16 Provisions**

**Current**

Provision for Annual Leave	156,198	146,890
Provision for Long Service Leave	112,500	101,882
	<u>268,698</u>	<u>248,772</u>

**Non Current**

Provision for Long Service Leave	34,630	25,722
	<u>34,630</u>	<u>25,722</u>

**17 Other Liabilities**

**Current**

Income in Advance	143,224	140,141
	<u>143,224</u>	<u>140,141</u>

**Non Current**

Income in Advance	12,882	11,398
	<u>12,882</u>	<u>11,398</u>

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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.

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

Short Term Employment benefits	179,427	156,248
Long Term Employment benefits	-	-
Post Employment benefits	18,566	17,297
	<u>197,993</u>	<u>173,545</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.

**20 Commitments for Expenditure**

**Capital Commitments**

The Club has committed to the following capital expenditure since balance date. (2022 \$190,014)

Golf Machinery Shed

Golf Bar Upgrade

**Non Cancellable Rental Agreements**

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

	2023	2022
	\$	\$
Not later than one year	-	-
Later than one year and not later than five	-	-
Later than five years	-	-
	<u>-</u>	<u>-</u>

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21 Cashflow Reconciliation**

Cash at Bank	413,633	431,916
	<u>413,633</u>	<u>431,916</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.

**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

<b>TRADING ACCOUNT</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>STATEMENT OF BAR TRADING</b>		
Sales	1,134,322	784,660
<b>LESS COST OF SALES</b>		
Opening Stock	31,647	41,020
Purchases	520,731	353,249
	<u>552,378</u>	<u>394,269</u>
Closing Stock	41,093	31,647
	<u>511,285</u>	<u>362,622</u>
<b>GROSS PROFIT</b>	<b>623,037</b>	<b>422,038</b>
<b>DIRECT EXPENSES</b>		
Depreciation	374	5,951
Freight & Gas	15,076	9,566
Repairs & Maintenance	17,213	5,834
Wages	298,742	233,410
<b>DIRECT EXPENSES</b>	<u>331,405</u>	<u>254,761</u>
<b>NET PROFIT</b>	<u>291,632</u>	<u>167,277</u>
<b>STATEMENT OF POKER MACHINES</b>		
Net Revenue	1,784,537	1,497,988
<b>DIRECT EXPENSES</b>		
Central Monitoring System	21,176	16,902
Depreciation	102,628	107,458
Repairs & Maintenance	19,222	14,156
Gaming Device Duty	248,338	179,586
Less: Gaming Tax Rebate	(17,180)	(17,180)
Wages	119,497	91,725
<b>DIRECT EXPENSES</b>	<u>493,681</u>	<u>392,647</u>
<b>NET PROFIT</b>	<u>1,290,856</u>	<u>1,105,341</u>

Detailed Profit and Loss Statement  
Not Covered by Audit Report on Pages 5 to 7  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>STATEMENT OF PAPER GAMING OPERATIONS</b>		
Keno Commission	89,499	72,790
Tab Commission	22,473	11,347
	<hr/> 111,972	<hr/> 84,137
<b>DIRECT EXPENSES</b>		
Consumables & Maintenance	12,139	9,200
Promotion	9,437	-
Sky Channel	21,172	11,852
Wages	59,748	45,864
<b>DIRECT EXPENSES</b>	<hr/> 102,496	<hr/> 66,916
<b>NET PROFIT</b>	<hr/> 9,476	<hr/> 17,221
<b>STATEMENT OF RAFFLES &amp; BINGO TRADING</b>		
Bingo & Raffle Income	281,915	198,281
<b>LESS COST OF SALES</b>		
Bingo & Raffle Purchases	304,087	216,731
<b>GROSS PROFIT/(LOSS)</b>	<hr/> (22,172)	<hr/> (18,450)
<b>DIRECT EXPENSES</b>		
Wages	23,265	19,913
<b>DIRECT EXPENSES</b>	<hr/> 23,265	<hr/> 19,913
<b>NET PROFIT</b>	<hr/> (45,437)	<hr/> (38,363)

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**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023 \$	2022 \$
<b>STATEMENT OF BAR TRADING - GOLF CLUB</b>		
Sales	324,807	222,767
<b>LESS COST OF SALES</b>		
Opening Stock	8,145	10,398
Purchases	149,636	100,675
	<u>157,781</u>	<u>111,073</u>
Closing Stock	10,567	8,145
	<u>147,214</u>	<u>102,928</u>
<b>GROSS PROFIT</b>	<u>177,593</u>	<u>119,839</u>
<b>DIRECT EXPENSES</b>		
Depreciation	4,464	4,464
Repairs & Maintenance	1,807	1,158
Wages	80,185	70,036
<b>DIRECT EXPENSES</b>	<u>86,456</u>	<u>75,658</u>
<b>NET PROFIT</b>	<u>91,137</u>	<u>44,181</u>
 <b>STATEMENT OF POKER MACHINES - GOLF CLUB</b>		
Net Revenue	83,910	56,250
<b>DIRECT EXPENSES</b>		
Depreciation	2,980	382
Repairs & Maintenance	2,500	3,200
Duty Tax	(5,874)	(1,175)
Wages	35,326	36,863
<b>DIRECT EXPENSES</b>	<u>34,932</u>	<u>39,270</u>
<b>NET PROFIT</b>	<u>48,978</u>	<u>16,980</u>
 <b>STATEMENT OF KENO OPERATIONS - GOLF CLUB</b>		
Commission	24,518	15,862
<b>DIRECT EXPENSES</b>		
Repairs & Maintenance	1,642	1,350
Wages	7,850	8,191
<b>DIRECT EXPENSES</b>	<u>9,492</u>	<u>9,541</u>
<b>NET PROFIT/(LOSS)</b>	<u>15,026</u>	<u>6,321</u>

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**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>STATEMENT OF GOLF COURSE - GOLF CLUB</b>		
Advertising Income	18,196	21,747
Cart Hire	127,995	111,409
Competition Fees	48,592	42,782
Fuel Tax Credits	5,614	5,555
Green Fees	285,431	241,564
Membership Subscription	135,231	130,546
Merchandise Sales	39,630	28,775
Refreshment Sales	61,031	49,353
Rental Income	50,888	48,465
	<u>772,608</u>	<u>680,196</u>
<b>DIRECT EXPENSES</b>		
Course Maintenance	92,061	100,265
Depreciation	67,565	70,095
Fuel Costs	26,303	26,925
Machinery Costs	24,956	30,249
Merchandise Purchases	22,964	14,320
Refreshment Purchases	26,723	20,440
Subscriptions	18,192	16,703
Trophies & Prizes	25,281	16,073
Wages	336,618	320,686
<b>DIRECT EXPENSES</b>	<u>640,663</u>	<u>615,756</u>
<b>NET PROFIT</b>	<u>131,945</u>	<u>64,440</u>
<b>STATEMENT OF CATERING TRADING - GOLF CLUB</b>		
Sales	174,160	22,728
<b>LESS COST OF SALES</b>		
Opening Stock	1,320	-
Purchases	78,613	10,766
	<u>79,933</u>	<u>10,766</u>
Closing Stock	3,003	1,320
	<u>76,930</u>	<u>9,446</u>
<b>GROSS PROFIT</b>	<u>97,230</u>	<u>13,282</u>
<b>DIRECT EXPENSES</b>		
Depreciation	4,935	-
Repairs & Maintenance	9,915	455
Wages	89,235	8,233
<b>DIRECT EXPENSES</b>	<u>104,085</u>	<u>8,688</u>
<b>NET PROFIT</b>	<u>(6,855)</u>	<u>4,594</u>
<b>TOTAL TRADING PROFIT</b>	<u><u>1,826,758</u></u>	<u><u>1,387,992</u></u>

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**TILLIGERRY RSL SPORTS CLUB LIMITED**  
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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>INCOME</b>		
<b>TOTAL TRADING PROFIT</b>	1,826,758	1,387,992
Members Subscriptions	21,959	21,663
Bistro Rent	15,600	12,300
ATM Commissions	40,969	31,486
Other Commissions	4,134	3,623
Exclusivity Rebate	46,031	37,611
Employee FBT Contribution	4,574	8,500
Interest Received	-	-
Profit on Sale of Assets	60,897	16,000
Wages Subsidy	-	-
Sundry Income	6,677	155,116
<b>TOTAL INCOME</b>	<u>2,027,599</u>	<u>1,674,291</u>
<b>LESS EXPENSES</b>		
<b>MEMBERS AMENITIES</b>		
Advertising & Promotions	8,937	5,590
Donations	25,162	22,015
Entertainment	112,260	62,422
Members Only Promotions	159,797	116,461
Club Bus Expenses	17,048	13,561
Wages - Door & Transport	111,220	109,784
	<u>434,424</u>	<u>329,833</u>
<b>CLUBHOUSE</b>		
Cleaning Wages	72,264	64,579
Cleaning Materials	21,534	15,756
Electricity, Gas, Heating	107,687	98,056
Rates	22,488	20,208
Repairs & Maintenance	87,962	74,801
Security	2,959	3,084
	<u>314,894</u>	<u>276,484</u>

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**DETAILED PROFIT AND LOSS STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	\$	\$
<b>ADMINISTRATION</b>		
Accountancy & Audit Fees	10,500	10,500
Bank Charges	20,224	15,791
Cash Variances	2,975	59
Computer Expenses	23,925	16,707
Depreciation	111,044	109,921
Amortisation	15,484	36,240
Hire of Plant	20,830	16,871
Insurance	208,334	197,352
Insurance - Workers' Compensation	35,540	44,817
Interest	88,555	71,540
Legal Costs	2,266	11,941
Long Service Leave Expense	19,526	(4,420)
Loss on Sale of Fixed Assets	-	-
Motor Vehicle Expenses	11,360	-
Out of Pocket Expenses	18,430	8,135
Payroll Tax	21,572	3,062
Postage & Stationery	27,051	32,116
Staff Amenities & Drinks	18,837	9,534
Subscriptions & Licences	21,831	23,306
Superannuation	160,269	130,293
Telephone	21,243	29,894
Uniforms	51	-
Wages	250,186	265,994
	<u>1,110,033</u>	<u>1,029,653</u>
<b>TOTAL EXPENSES</b>	<u>1,859,351</u>	<u>1,635,970</u>
<b>OPERATING PROFIT/(LOSS)</b>	<u>168,248</u>	<u>38,321</u>
<b>RETAINED PROFITS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	1,349,535	1,311,214
<b>RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR</b>	<u>1,517,783</u>	<u>1,349,535</u>

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