



**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDING  
31ST AUGUST 2020**



**(A Company Limited by Guarantee)**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

**CONTENTS**

	PAGE NO
<b>President's Report</b>	3 - 4
<b>Secretary/Manager's Report</b>	5 - 6
<b>Appendix A – Financial Report</b>	1 - 32
<b>Appendix B – Sub Club Financial Reports</b>	1 - 7



## PRESIDENT'S REPORT

On September 26<sup>th</sup>, 1974, a group of local community members called a Public Meeting for the purpose of forming a Golf Club. It was through their vision, supported over the years by hundreds of volunteers, that our Club became a reality and has grown to the wonderful facility that we all enjoy today. The current Board has updated our Strategic Plan, remaining committed to upholding their vision ensuring our ongoing commitment to our Members and the Community by offering a safe, family friendly venue for their enjoyment along with first class sporting facilities.

There have been hardships to overcome along the way, with the past couple of years being amongst the most testing. Enduring the Tathra fires of 2018, the heartbreaking bushfires of December 2019/2020 and the unprecedented, forced closure due to the Covid-19 Pandemic, our Club has remained strong.

Directed to close on March 23 with virtually no notice, created an uncertainty over which we had no control. On re-opening at the beginning of June, strict regulations were imposed across the State, leaving us with limited resources to attempt a return to our normal trade. Something a lot us had trouble coming to terms with. Our staff were vigilant in protecting our Club, ensuring we abided by all restrictions that were imposed while keeping our Members and Patrons safe.

Our Financial Statement for the year ended August 2020 reflects the unusual times we have been through. While posting a profit of \$95,950 it is obvious that without the Assistance of Government Grants and the Insurance Recovery for loss of trade for the month of January, a different story would be reflected. The Job Keeper support from the Government ensured that we were able to maintain all of our regular staff, in particular giving us the ability to safeguard our Green staff allowing them to continue to work full time caring for our course, tennis courts and playing fields. There were also many other Grants available, Covid-19 and Bushfire, that the Club applied for and received. Without this assistance, the Club would not be in the position it is today. We are no longer eligible for the second round of Job Keeper which will have a great impact on the coming Financial Year given that there are still restrictions that do not allow us to Trade at capacity. The Club Industry has estimated that it will take at least 5 years to recover. A daunting task.

A major disappointment as far as Trade was concerned was the cancellation of the George Bass Marathon. An event held every two years and one that has had a huge beneficial effect on our Trading figures. The impact of the Bushfires left Tathra almost like a ghost town. In what is usually our peak Trading time there were no tourists to enjoy our beautiful town and hospitality. There were some Insurance Monies recouped but nothing compared to what would have been actual Trade.

When dissecting the accounts there are positives to be had. When we could Trade, only 42 weeks of our normal 52, we were performing above the previous year. Our 6 monthly review indicated that by comparison we were heading for an increase in trade. After reopening in June, our Trade picked up again with July showing excellent results. The grey nomads "staying put" certainly was of benefit to us! The ability to get out and about on the golf course and tennis courts brought about a rejuvenated interest that we are pleased to say has shown increased interest in the Club overall.

We are proud to have sponsored local sporting groups over the past twelve months, with the Cricket Club managing to get in their full season, the Tathra Sea Eagles AFL on a restricted season and Tathra Junior League also on a restricted season. Unfortunately, the Tathra Sea Eagles Rugby League were not afforded the opportunity to defend their title from last year and we know that they will come out even stronger and more determined next season.



## **PRESIDENT'S REPORT (Continued)**

We successfully negotiated the renewal of our Lease for the Golf Course, Tennis Courts and Playing Fields for a further 20 years, the maximum term on offer from the Department of Lands. Our Perpetual Lease which covers the Clubhouse and surrounding buildings remains in force until 2051. There is in place a "Right to Purchase" the land we hold under the Special Lease, which we will continue to investigate and put to our Members when details are fully known.

We lost too many members this year and we offer our condolences to their family and friends. The network within such a close-knit community, I can only pray, eases some of the pain.

Our staff have undoubtedly been pushed to the limit this past year, undertaking different roles, which at times proved to be quite stressful. On behalf of our Members I thank them for their dedication and support during these trying times.

Our volunteers have again been outstanding. Always willing to lend a hand be it in the Club House itself or outdoors, and even though it is said repeatedly, I cannot be any more sincere when I reiterate just how much we all appreciate everything that you do.

I personally thank the current Board for their support during times of uncertainty, a challenging year would be an understatement. While appreciating that there are going to be restrictions for quite some time to come, we look forward to an easier path for the coming year.

The most important people in our Club, as always, remains the members. Your commitment and loyalty are the backbone of our Club. I am confident that we will continue to grow well into the future.

Colleen Bennett  
President



## SECRETARY/MANAGER'S REPORT

Members I present to you our yearly financials for (as the Queen once said) "Annus Horribilis" 2019/20 for your perusal.

A pleasing overall profit of \$95,950 that may seem surprising with all the turmoil and uncertainty we have all dealt with throughout the year, can be attributed to myself and the Board availing all government assistance throughout COVID-19 and the procuring of our insurance claim for the loss of trade throughout the Dec/Jan fires.

The less said about the fires and COVID-19 the better but I would like to assure members the strategies the Board and myself had implemented to rectify the previous year's poor result were really showing positive signs and leading into the busy Xmas holiday period we were significantly up on previous year's figures . Then 2020 started.

I am pleased to report Golf here at the Country club has boomed recently and has been a great release for all of us. Peter, Dean and Stu continue to present an outstanding course for us to enjoy week in week out. Well done fellas.

Tennis has also gained momentum and I thank Peter and Danny for their weekly maintenance of the courts and surrounds. I encourage all members to enjoy the facility and maximize its usage.

The sporting fields have continued their popularity and although senior league did not play this year various sports including soccer, rugby, Jnr league, Girls Tag, touch footy and Jnr AFL have all enjoyed using the best fields in the district. Plenty of effort is still being made to fund the desperately needed new lighting and the senior league guys are, at the time of writing, in the process of building a new gear shed that all the sporting codes will use. A big thank you for all your volunteered time and effort.

Speaking of volunteers, to everyone who helps on the course and inside the clubhouse, thank you very much, your value to the club is immeasurable and both myself and Peter really appreciate your efforts.

The Ladies and Men's sub clubs have again enjoyed a successful year with increased numbers in both clubs. Some tough decisions had to be made throughout the year that did not please everyone, but I believe everything was done in a safe manner with only the best interests of members and guests in mind. Well done to both committees for your outstanding work.

To Colleen and the board, I thank you for all your time and effort in such a challenging year. Decisions made in such uncharted waters were difficult at times but always made with the Country clubs best interests in mind.

As for membership numbers, we currently have:

LIFE :	10
FULL :	496
SOCIAL :	649
JUNIOR :	29
TENNIS :	50
TOTAL Membership :	1234



## **SECRETARY/MANAGER'S REPORT (Continued)**

Our condolences to all families of members who have passed away in the past 12 months. Especially remembering our once long-time club President George Alnis in our thoughts.

I thank Garry and my staff for all their assistance with the day to day running of the club and along with the Board we will all continue the clubs long term strategy of providing our members and guests with quality sporting and clubhouse facilities .

Finally, thank you to all the members of the club for your continued support , I hope the club has provided a place of solace over this past year and we all see better days ahead.

Ben Potter  
Secretary Manager

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

(A Company Limited by Guarantee)

## APPENDIX A

### Financial Statements

For the Year Ended 31 August 2020

#### Contents

	<b>Page</b>
<b>Financial Statements</b>	
Directors' Report	2
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	5
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	25
Independent Audit Report	26
Supplementary Information	28

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Directors' Report

31 August 2020

The directors present their report on Tathra Beach Country Club Limited for the financial year ended 31 August 2020.

### 1. General information

#### Information on directors

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

Colleen BENNETT

Occupation / Qualifications Accounts Manager

Appointment date 6 December 2014

Special responsibilities President

Paul HARE

Occupation / Qualifications Retired Office Manager

Appointment date 24 November 2002

Special responsibilities Treasurer

Helen GROCH

Occupation / Qualifications Retired Admin Manager

Appointment date 25 November 2001

John GARDNER

Occupation / Qualifications Retired Teacher

Appointment date 2 December 2012

George KENNAUGH

Occupation / Qualifications Retired Salesperson

Appointment date 2 December 2012

Patricia WESTMORE

Occupation / Qualifications Retired Company Director

Appointment date 27 May 2015

Trevor MACE

Occupation / Qualifications Retired Public Servant

Appointment date 11 December 2016

Special responsibilities Vice President

David PORTER

Occupation / Qualifications Businessman

Appointment date 8 December 2019

Raymond BAIRD

Occupation / Qualifications Retired Company Director

Resignation date 8 December 2019

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



# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Directors' Report

31 August 2020

### Principal activities

The principal activity of Tathra Beach Country Club Limited during the financial year was that of a Licensed Club and provision of sporting facilities in Tathra.

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

### Short and long term objectives

The Company's short and long term objectives are to continue to provide quality Club and sporting facilities in Tathra for the benefit of members and guests.

### Strategy for achieving the objectives

To achieve these objectives, the Company adopts current licensed club industry practices.

### Performance measures

The following measures are used within the Company to monitor performance:

- the quality of the service and facilities provided to members;
- the ability to generate strong cash flows from its operating activities;
- the trading and overall financial result; and
- the stability of the balance sheet with respect to the Company's liquidity.

### Members guarantee

Tathra Beach Country Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member who ceased to be a member in the year prior to the winding up, is limited to \$2, subject to the provisions of the company's constitution.

At 31 August 2020 the collective liability of members was \$1,860 (2019: \$2,180).

## 2. Other items

### Significant changes in state of affairs

The following significant changes in the state of affairs of the Company occurred during the financial year:

- (i) The break out of the COVID 19 virus, the community's response to the break out and associated government regulations in March 2020 have significantly affected the Company's operations. The main operations of the Company being the operation of a licensed Club were shut down by government regulations from 23 March 2020 until early June 2020.
- (ii) Bushfires in the region in December 2019 and January 2020 significantly affected the Club's trading during the peak trading season. This resulted in a decrease in operating revenue from the prior year for this period until the COVID 19 breakout however was partially offset by insurance recovery income.

### Future developments and results

The date for the end of restrictions relating to the COVID 19 virus has not been decided by government authorities. Restrictions that significantly affect Club trading (e.g. social distancing) are expected to be in place for an extended period of time. The financial effect of these disruptions to operations will result in significant declines in operating revenue and operating results however the amount is not known as at the date of this report.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Directors' Report

31 August 2020

### Meetings of directors

During the financial year, 13 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Raymond BAIRD	3	3
Colleen BENNETT	13	12
Helen GROCH	13	13
John GARDNER	13	8
Paul HARE	13	12
George KENNAUGH	13	8
Trevor MACE	13	12
David PORTER	10	8
Patricia WESTMORE	13	13

### Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 August 2020 has been received and can be found on page 5 of the financial report.

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



Director: .....

Colleen BENNETT



Director: .....

Paul HARE

TATHRA

Dated 21 October 2020



## Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Tathra Beach Country Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 August 2020, 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.

**KOTHES**  
Chartered Accountants

SIMON BYRNE  
Partner  
Registered Company Auditor (#153624)  
TATHRA  
21 October 2020



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme  
approved under Professional  
Standards Legislation

DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BEGA  
MERIMBULA  
EDEN  
BOMBALA  
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Kothes Chartered Accountants  
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# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 August 2020

		2020	2019
	Note	\$	\$
Revenue	5	1,335,718	1,329,467
Finance income - interest on cash at bank		5,541	8,528
Cost of sales		(261,556)	(384,554)
Employee benefits expense		(595,754)	(632,281)
Depreciation and amortisation expense		(126,554)	(116,581)
Finance expenses - interest on leased assets		(2,236)	-
Loss on disposal of fixed assets		-	(1,454)
Auditors remuneration		(13,525)	(15,450)
Golf cart rental		-	(16,886)
Donations and sponsorship		(6,376)	(11,413)
Light and power		(37,098)	(35,841)
Insurance		(21,354)	(36,021)
Members entertainment expenses		(46,002)	(73,665)
Permits, licences, subscriptions and fees		(31,666)	(26,180)
Repairs and maintenance		(49,498)	(94,057)
Rent and rates		(31,061)	(28,670)
Other expenses		(22,629)	(20,362)
<b>Surplus / (Deficit) before income tax</b>		<b>95,950</b>	<b>(155,420)</b>
Income tax expense	3(a)	-	-
<b>Surplus / (Deficit) from continuing operations</b>		<b>95,950</b>	<b>(155,420)</b>
<b>Other comprehensive income for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>95,950</b>	<b>(155,420)</b>

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Company has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Statement of Financial Position

As At 31 August 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	7	577,429	389,817
Trade and other receivables	8	62,077	28,702
Inventories - stock on hand		31,145	32,515
Prepayments		20,204	28,445
TOTAL CURRENT ASSETS		<u>690,855</u>	479,479
NON-CURRENT ASSETS			
Property, plant and equipment	9	968,788	1,079,331
Right-of-use assets	10	28,386	-
TOTAL NON-CURRENT ASSETS		<u>997,174</u>	1,079,331
TOTAL ASSETS		<u>1,688,029</u>	1,558,810
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	11	78,969	113,772
Lease liabilities	10	15,554	-
Provision for poker machine jackpots		3,388	2,898
Employee benefits	13	108,348	83,314
Other liabilities	12	42,373	29,071
TOTAL CURRENT LIABILITIES		<u>248,632</u>	229,055
NON-CURRENT LIABILITIES			
Lease liabilities	10	13,692	-
TOTAL NON-CURRENT LIABILITIES		<u>13,692</u>	-
TOTAL LIABILITIES		<u>262,324</u>	229,055
NET ASSETS		<u>1,425,705</u>	1,329,755
<b>EQUITY</b>			
Retained earnings		1,425,705	1,329,755
TOTAL EQUITY		<u>1,425,705</u>	1,329,755

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Company has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Statement of Changes in Equity

For the Year Ended 31 August 2020

2020

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 September 2019</b>	<u>1,329,755</u>
Result for the year	<u>95,950</u>
<b>Balance at 31 August 2020</b>	<u><u>1,425,705</u></u>

2019

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 September 2018</b>	<u>1,485,175</u>
Result for the year	<u>(155,420)</u>
<b>Balance at 31 August 2019</b>	<u><u>1,329,755</u></u>

The accompanying notes form part of these financial statements.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Statement of Cash Flows

For the Year Ended 31 August 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers and members	1,423,607	1,447,772
Payments to suppliers and employees	(1,224,459)	(1,508,342)
Interest received	5,851	8,798
Interest paid	(2,236)	-
Net cash provided by/(used in) operating activities	<u>202,763</u>	<u>(51,772)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for property, plant and equipment	(500)	(42,143)
Net cash provided by/(used in) investing activities	<u>(500)</u>	<u>(42,143)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of lease liabilities	(14,651)	-
Net cash provided by/(used in) financing activities	<u>(14,651)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	187,612	(93,915)
Cash and cash equivalents at beginning of year	389,817	483,732
Cash and cash equivalents at end of financial year	7 <u>577,429</u>	<u>389,817</u>

The Company has initially applied AASB 15 and AASB 1058 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 118, AASB 1004 and related interpretations.

The Company has initially applied AASB 16 using the cumulative effect method and has not restated comparatives. The comparatives have been prepared using AASB 117 and related interpretations.

The accompanying notes form part of these financial statements.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

The financial report covers Tathra Beach Country Club Limited as an individual entity. Tathra Beach Country Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The company was incorporated on 11 February 1975 (# 001 274 004) under the *NSW Companies Act, 1961*, NSW. It is registered with the Australian Business Register - Australian Business Number 47 001 274 004 and is registered for Goods & Services Tax purposes. The registered office and principal place of business is located at 1 Andy Poole Drive, Tathra NSW 2550.

The functional and presentation currency of Tathra Beach Country Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 21 October 2020.

Comparatives are consistent with prior years, unless otherwise stated.

### 1 Basis of Preparation

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

### 2 Change in Accounting Policy

#### Revenue from Contracts with Customers - Adoption of AASB 15

The Company has adopted AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 September 2019.

The Company has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 118, AASB 1004 and related interpretations. There were no prior year adjustments on adoption of AASB 15 and AASB 1058 to any account balances, only changes in the presentation of revenue items and other liabilities in the financial statements.

#### Leases - Adoption of AASB 16

The Company has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 September 2019 and therefore the comparative information for the year ended 31 August 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

#### Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

##### Company as a lessee

Under AASB 117, the Company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.



# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 2 Change in Accounting Policy

#### Leases - Adoption of AASB 16

#### Impact of adoption of AASB 16

##### *Practical expedients used on transition*

AASB 16 includes a number of practical expedients which can be used on transition, the Company has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Company's incremental borrowing rate at 1 September 2019;
- right-of-use assets at 1 September 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- excluded leases with an expiry date prior to 31 August 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

#### Financial statement impact of adoption of AASB 16

The Company has recognised right-of-use assets of \$43,897 and lease liabilities of \$43,897 at 1 September 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 September 2019 was 6.00%.

	\$
Operating lease commitments at 31 August 2019 financial statements	47,843
Less: Interest for remainder of lease term	(3,946)
Discounted using the incremental borrowing rate at 1 September 2019	<u>43,897</u>
<b>Lease liabilities recognised at 1 September 2019</b>	<b><u>43,897</u></b>

### 3 Summary of Significant Accounting Policies

#### (a) Income Tax

The Company is a not-for-profit entity with a main objective of providing quality sporting facilities for the playing and promotion of various sports in Tathra. The Board has reviewed its income tax status and have assessed the company to be exempt from income tax under section 50-45 of the *Income Tax Assessment Act, 1997* (Cth). Consequently, no provision for taxation has been made in the financial statements.

#### (b) Revenue and other income

##### *For comparative year*

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

All revenue is stated net of the amount of goods and services tax (GST).

#### **Sale of goods**

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

#### **Interest revenue**

Interest is recognised using the effective interest method.

#### **Rendering of services**

Revenue in relation to rendering of services is recognised depending on whether the outcome of the services can be estimated reliably. If the outcome can be estimated reliably then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period.

If the outcome cannot be reliably estimated then revenue is recognised to the extent of expenses recognised that are recoverable.

#### **Subscriptions**

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the subscriptions year.

#### **Revenue from contracts with customers**

##### ***For current year***

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

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

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### Revenue from contracts with customers

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

#### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

#### Sales revenue

Sale revenue includes bar sales, poker machine income, greens income and keno income. All of the services and goods for these revenue items are provided to customers at the time of the sale and income is accounted for at that time. If deposits are held for any of these revenue items a liability is booked until the service or goods have been provided to the customer and then for as income.

#### Membership income

Membership income is received in advance for the period of membership paid for. A liability is booked for membership income received in advance with the income spread over the membership period paid for.

#### Other income

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

#### (c) Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

#### (e) Inventories

Inventories are measured at the lower of cost and net realisable value.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### (f) Property, Plant and Equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

#### **Buildings**

Buildings are measured using the cost model.

#### **Plant and equipment**

Plant and equipment are measured using the cost model.

#### **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

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

<b>Fixed asset class</b>	<b>Useful life</b>
Buildings	40 years
Plant and Equipment	3 to 15 years

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

#### (g) Financial instruments

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

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

#### **Financial assets**

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

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### Financial assets

##### *Classification*

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

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

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

##### *Amortised cost*

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

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

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

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

##### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

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

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

The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held).

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### Financial assets

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

#### *Trade receivables*

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

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

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

#### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

#### Financial liabilities

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

The financial liabilities of the Company comprise trade payables and lease liabilities.

#### (h) Cash and cash equivalents

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

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### (i) Leases

##### *For comparative year*

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

##### *For current year*

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### *Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 3 Summary of Significant Accounting Policies

#### (j) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### (k) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 August 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company or refer to Note 2 for details of the changes due to standards adopted.

### 4 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

#### Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.



# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 5 Revenue

#### Revenue from continuing operations

	2020	2019
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Sale of goods	574,608	823,673
- Poker machine income	223,889	225,692
- Keno commission	15,292	11,285
- Rent - Cart shed and kitchen	14,618	14,200
- Member subscriptions	105,920	105,268
- Green fees, court and equipment hire	87,760	94,030
- ATM commission	3,961	5,040
	<u>1,026,048</u>	<u>1,279,188</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Donations	6,266	3,159
- Reimbursements from sub clubs	13,035	41,127
- Insurance recoveries	58,512	-
- JobKeeper subsidies	152,000	-
- ATO Cash Flow Boost income	69,654	-
- Sundry income	10,203	5,993
	<u>309,670</u>	<u>50,279</u>
<b>Total Revenue</b>	<u><b>1,335,718</b></u>	<u><b>1,329,467</b></u>

#### Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated into at a point in time and over time which is only applicable to membership subscriptions and cart shed rental income:

	2020
	\$
<b>Timing of revenue recognition</b>	
- At a point in time	914,183
- Overtime - member subscriptions	105,920
- Overtime - cart shed rental	5,945
<b>Revenue from contracts with customers</b>	<u><b>1,026,048</b></u>

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 6 Result for the Year

#### Expenses

	2020	2019
	\$	\$
Depreciation and Amortisation		
Buildings	51,199	53,495
Plant and equipment	16,016	16,314
Course equipment	13,585	13,175
Poker machines	30,243	33,597
Leased golf carts	15,511	-
Total Depreciation and Amortisation	<u>126,554</u>	<u>116,581</u>

### 7 Cash and cash equivalents

Cash at bank and in hand	267,052	85,283
Short-term bank deposits	310,377	304,534
	<u>577,429</u>	<u>389,817</u>

The above figures are reconciled to cash at the end of the financial year as shown in the statement of cash flows.

### 8 Trade and other receivables

#### CURRENT

Trade receivables	54,980	13,739
Other receivables	6,837	14,393
Accrued interest	260	570
<b>Total current trade and other receivables</b>	<u>62,077</u>	<u>28,702</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 9 Property, plant and equipment

	2020	2019
	\$	\$
Buildings		
At cost	1,734,749	1,734,749
Accumulated depreciation	(895,296)	(844,097)
<b>Total buildings</b>	<b>839,453</b>	<b>890,652</b>
<b>PLANT AND EQUIPMENT</b>		
Plant and equipment		
At cost	276,437	276,437
Accumulated depreciation	(237,458)	(221,442)
<b>Total plant and equipment</b>	<b>38,979</b>	<b>54,995</b>
Course plant and equipment		
At cost	288,717	288,717
Accumulated depreciation	(243,252)	(229,667)
<b>Total Course plant and equipment</b>	<b>45,465</b>	<b>59,050</b>
Poker machines		
At cost	319,171	346,171
Accumulated depreciation	(274,280)	(271,537)
<b>Total Poker machines</b>	<b>44,891</b>	<b>74,634</b>
<b>Total plant and equipment</b>	<b>129,335</b>	<b>188,679</b>
<b>Total property, plant and equipment</b>	<b>968,788</b>	<b>1,079,331</b>

#### (a) Land and Buildings

Buildings and related leasehold improvements were valued for insurance purposes on 19 November 2013 by a Registered Valuer. This value far exceeded the book value that is carried in the financial statements.

The land associated with the clubhouse and surrounding grounds is leased from the NSW Crown Lands.

#### (b) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Plant and Equipment	Course equipment	Poker machines	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 August 2020</b>					
Balance at the beginning of year	890,652	54,995	59,050	74,634	1,079,331
Additions	-	-	-	500	500
Depreciation expense	(51,199)	(16,016)	(13,585)	(30,243)	(111,043)
<b>Balance at the end of the year</b>	<b>839,453</b>	<b>38,979</b>	<b>45,465</b>	<b>44,891</b>	<b>968,788</b>

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 10 Leases

The Company has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

#### Company as a lessee

Information relating to the leases in place and associated balances and transactions are provided below.

#### Terms and conditions of leases

The Company leases its land from the NSW Crown Lands under two separate leases. One lease is currently being renewed for a twenty year term from August 2020 with the other in place to 2051. Both leases have a set term per current lease agreements however are in effect perpetual leases due to the nature and regulations relating to these type of leases and as such have not been accounted for under AASB 16. Yearly rental payments will continue to be expensed as per AASB 117. If at any time the lease terms are not be deemed as 'perpetual' they will be accounted for under AASB 16.

An operating lease is in place for golf carts which has a term of 4 years which has been accounted for under AASB 16 Leases as per below.

#### Right-of-use assets

	Plant and Equipment \$
<b>Year ended 31 August 2020</b>	
Operating lease capitalised 1 September 2019 formerly expensed	43,897
Amortisation charge	<u>(15,511)</u>
<b>Balance at end of year</b>	<u><u>28,386</u></u>

#### Lease liabilities

	2020 \$	2019 \$
Current - Operating Lease	15,554	-
Non-current - Operating Lease	13,692	-
<b>Total</b>	<u><u>29,246</u></u>	-

Operating lease liabilities are for the golf carts. The remaining repayments for the golf carts total \$30,957.

#### Statement of Profit or Loss and Other Comprehensive Income

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:

Interest expense on lease liabilities	(2,236)	-
Amortisation of right-of-use assets	<u>(15,511)</u>	-
	<u><u>(17,747)</u></u>	-

#### Statement of Cash Flows

Total cash outflow for leases	<u><u>(14,651)</u></u>	-
-------------------------------	------------------------	---

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 11 Trade and other payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	55,851	83,416
GST payable	2,801	7,968
Accrued expenses	20,317	19,346
Poker machine liability	-	3,042
	<u>78,969</u>	<u>113,772</u>

### 12 Other Liabilities

CURRENT		
Members' subs in advance	38,600	29,071
Cart shed rent in advance	3,773	-
	<u>42,373</u>	<u>29,071</u>

### 13 Employee Benefits

Current liabilities		
Provision for long service leave	58,887	46,241
Provision for annual leave	49,461	37,073
	<u>108,348</u>	<u>83,314</u>

### 14 Leasing Commitments

#### Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	-	18,574
- between one year and five years	-	34,053
	-	<u>52,627</u>

Operating leases are now accounted for in Note 10.

### 15 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstandings and obligations of the Company. At 31 August 2020 the number of members was 930 (2019: 1,090).

### 16 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 August 2020 (31 August 2019: None).

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Notes to the Financial Statements

For the Year Ended 31 August 2020

### 17 Related Parties

**(a) The Company's main related parties are as follows:**

*(i) Key management personnel:*

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

*(ii) Other related parties include close family members of key management personnel and entities that are controlled.*

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

**(b) Transactions with related parties**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. The directors did not receive any remuneration from the company during the year other than reimbursement of out of pocket expenses in the form of honorariums that have been fully substantiated.

### 18 Events Occurring After the Reporting Date

The financial report was authorised for issue on 21 October 2020 by the Board of Directors.

The date for the end of restrictions relating to the COVID 19 virus has not been decided by government authorities. Restrictions that significantly affect Club trading (e.g. social distancing) are expected to be in place for an extended period of time. The financial effect of these disruptions to operations will result in significant declines in operating revenue and operating results however the amount is not known as at the date of this report.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 24, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 31 August 2020 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.



Director: .....

Colleen BENNETT

TATHRA

Dated 21 October 2020



Director: .....

Paul HARE

## Independent Audit Report to the members of Tathra Beach Country Club Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Tathra Beach Country Club Limited (the Company), which comprises the statement of financial position as at 31 August 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 August 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

The restrictions relating to the COVID 19 virus since 23 March 2020 have had a significant effect on the Company's operations. The financial effect of these continuing disruptions to operations has resulted in significant declines in operating revenue after 23 March 2020. The financial report has been prepared on the basis that the company is a going concern however due to the uncertainty of the effects of the ongoing COVID 19 virus disruptions the future financial viability of the company may be significantly affected.

#### Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the annual report, (but does not include the financial report and our auditor's report thereon). Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme  
approved under Professional  
Standards Legislation

#### DIRECTORS

**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

**BEGA**  
**MERIMBULA**  
**EDEN**  
**BOMBALA**  
**BERMACUI**  
**COOMA**  
**JINDABYNE**

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**Kothes Chartered Accountants**  
**ABN 36 472 755 795**



# Independent Audit Report to the members of Tathra Beach Country Club Limited

## Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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.
- Obtain an understanding of internal control relevant to the audit in order to design 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 the directors.
- Conclude on the appropriateness of the directors' 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 significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

We communicate with 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 we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**KOTHES**  
Chartered Accountants



SIMON BYRNE  
Partner  
Registered Company Auditor (#153624)  
TATHRA  
21 October 2020



## Supplementary Information For the Year Ended 31 August 2020

The additional financial data presented on pages 29 - 31 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 August 2020. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Tathra Beach Country Club Limited) in respect of such data, including any errors or omissions therein however caused.

**KOTHES**  
Chartered Accountants

SIMON BYRNE  
Partner  
Registered Company Auditor (#153624)  
TATHRA  
21 October 2020



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme  
approved under Professional  
Standards Legislation

DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BEGA  
MERIMBULA  
EDEN  
BOMBALA  
BERMACUI  
COOMA  
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# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Profit and Loss Account

For the Year Ended 31 August 2020

	2020	2019
	\$	\$
<b>Income</b>		
Gross profit on bar trading	273,970	368,685
Gross profit on sundry bar trading	5,365	12,818
Gross profit on poker machine trading	188,405	181,360
Amusement and vending machines	490	2,246
ATM commission	3,961	5,040
Donations	6,266	3,159
Equipment hire	41,310	47,576
Fuel tax rebate	3,434	3,219
Green fees	44,524	44,563
Interest received	5,541	8,528
Keno commission	15,292	11,285
Member subscriptions	105,920	105,268
Members entertainment	33,326	57,353
Reimbursements from sub clubs	13,035	41,127
Rent - Cart shed	5,945	6,364
Rent - Kitchen	8,673	7,836
Sundry income	6,280	528
Tennis court hire	1,926	1,891
Insurance recoveries	58,512	-
JobKeeper subsidies	152,000	-
ATO Cash Flow Boost income	69,654	-
<b>Total income</b>	<b>1,043,829</b>	<b>908,846</b>

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Profit and Loss Account For the Year Ended 31 August 2020

	2020	2019
	\$	\$
<b>Less: Expenses</b>		
Administration expenses	4,633	2,745
Advertising and promotions	419	2,496
Amortisation	51,199	53,495
Auditors remuneration	13,525	15,450
Bank charges	3,571	4,249
Bus expenses	10,341	10,594
Cleaning	10,458	11,316
Clubhouse requisites	1,420	6,848
Depreciation	29,601	29,489
Donations	785	1,699
General expenses	3,486	1,255
Golf cart rental	-	16,886
Golf carts - leased assets - amortisation	15,511	-
Golf carts - leased assets - interest expense	2,236	-
Honorariums	5,200	5,200
Insurance	21,354	36,021
Keno Expenses	775	1,052
Light and power	37,098	35,841
Long service leave	12,646	(140)
Loss on disposal of assets	-	1,454
Members draw	5,588	14,890
Members' entertainment expenses	30,072	48,181
Permits, licences, subscriptions and fees	31,666	26,180
Printing, postage and stationery	2,675	4,016
Rates and taxes	12,646	12,022
Refreshments - Directors & volunteers	1,902	2,988
Rent	18,415	16,648
Repairs and maintenance	27,502	57,545
Restaurant net expenses	(1,096)	(2,001)
Salaries and wages	510,200	554,232
Security costs	460	460
Sponsorships	5,591	9,714
Staff O,H&S and training expenses	382	272
Staff meals & refreshments	9,151	12,895
Superannuation contributions	42,706	51,335
Telephone	5,486	5,515
Unders and overs	(393)	(262)
Workers compensation insurance	20,668	13,686
	<b>947,879</b>	<b>1,064,266</b>
<b>Surplus / (Deficit) before income tax</b>	<b>95,950</b>	<b>(155,420)</b>

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Detailed trading accounts

For the Year Ended 31 August 2020

	2020	2019
	\$	\$
<b>Bar Trading Account</b>		
<b>Sales revenue</b>		
Sales	523,906	733,616
Bar volume rebate	3,455	11,037
	<u>527,361</u>	<u>744,653</u>
<b>Cost of sales</b>		
Purchases	249,738	370,851
Gas and freight	2,478	3,539
	<u>252,216</u>	<u>374,390</u>
<b>Gross profit</b>	<u>275,145</u>	<u>370,263</u>
<b>Less: Direct expenses</b>		
Wastage	1,175	1,578
<b>Net profit / (loss)</b>	<u>273,970</u>	<u>368,685</u>
 <b>Sundry Bar Trading Account</b>		
<b>Sales revenue</b>		
Sales	13,529	21,404
<b>Cost of sales</b>		
Purchases	8,119	8,491
<b>Cost of goods sold</b>	<u>8,119</u>	<u>8,491</u>
<b>Gross profit</b>	<u>5,410</u>	<u>12,913</u>
<b>Less: Direct expenses</b>		
Wastage	45	95
<b>Net profit / (loss)</b>	<u>5,365</u>	<u>12,818</u>
 <b>Poker Machine Trading Account</b>		
<b>Income</b>		
Poker machine income	206,710	208,511
Poker machine GST rebate	17,179	17,181
	<u>223,889</u>	<u>225,692</u>
<b>Less: Direct expenses</b>		
Depreciation	30,243	33,597
Repairs and maintenance	5,241	10,735
	<u>35,484</u>	<u>44,332</u>
<b>Net profit / (loss)</b>	<u>188,405</u>	<u>181,360</u>

# Tathra Beach Country Club Limited

ABN: 47 001 274 004

## Comparative Figures

	2016	2017	2018	2019	2020
Bar Sales	637,697	594,815	725,176	733,616	523,906
(Gross Margin %)	(55.8)	(55.1)	(52.2)	(49.7)	(52.2)
Poker Machine Receipts	241,386	257,028	256,552	208,511	206,710
Wages Paid	523,562	512,096	532,435	554,232	510,200
Operating Result	(9,835)	(19,122)	(38,860)	(155,420)	95,950
Expenditure on Club Assets	76,609	107,897	108,564	42,143	500
Net Assets	1,543,157	1,524,035	1,485,175	1,329,755	1,425,705

### DONATIONS

Organisations donated to throughout the year included:

Bega High School  
Beyond Golden Oldies  
Let it Pour Fund Raiser  
Tathra Sea Eagles Australian Rules Football Club  
Tathra Cricket Club  
Tathra Wharf to Waves  
Tathra Minor Rugby League



## APPENDIX B SUB CLUB FINANCIAL REPORTS

For the Year Ended 31 August 2020

On the basis of the information provided by the sub-clubs, we have compiled in accordance with APES 315 "Compilation of Financial Information", the Tathra Beach Country Club sub-club special purpose financial reports for the year ended 31 August 2020, as set out on the following pages.

The sub-club special purpose financial reports have been prepared from the books and records of the sub-clubs by the committees of the individual sub-clubs, exclusively for the use and benefit of the sub-club members and committees.

The terms of our engagement did not include any validation or verification procedures. No audit has been performed and accordingly no opinion is expressed.

**KOTHES**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'Simon Byrne', is written over a horizontal line.

SIMON BYRNE  
Partner  
Registered Company Auditor (#153624)  
TATHRA  
21 October 2020



CHARTERED ACCOUNTANTS  
AUSTRALIA + NEW ZEALAND

Liability limited by a scheme  
approved under Professional  
Standards Legislation

DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Peter Mann**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BEGA  
MERIMBULA  
EDEN  
BOMBALA  
BERMACUI  
COOMA  
JINDABYNE

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www.kothes.com.au  
Kothes Chartered Accountants  
ABN 36 472 755 795



**TATHRA BEACH COUNTRY CLUB LADY GOLF MEMBERS  
INCOME STATEMENT FOR THE YEAR ENDED 31 AUGUST 2020**

	2020	2019
<b>Income</b>		
Ball comp	12.00	--
Catering	--	152.70
Competition fees	37,289.70	43,136.50
District open entries	1,325.00	2,560.00
Donations	920.00	4,035.00
FSC & TGA lunch	400.00	1,040.00
Fundraising	--	1,374.00
Interest	516.89	528.30
Pennant refund	172.00	--
Play Nine	220.00	--
Raffles	1,254.90	1,857.00
Sales – Shirts & merchandise	235.00	950.00
Shoot Out	405.00	--
Sponsorship	2,670.00	--
Sundries	836.00	--
TBCC ladies open	3,063.80	3,695.30
Tournaments	30.00	--
Trading table	1,432.30	949.10
Week of Golf	370.00	--
Vet fees	222.00	--
Yearly fees	3,635.00	3,129.00
	55,009.59	63,406.90
<b>Expenditure</b>		
Balls redeemed	300.00	190.00
Breakup day	245.00	194.50
Catering	322.90	163.00
Donations	1,880.00	1,765.00
FSC & TGA catering	--	285.82
Fixtures books	1,118.00	--
Easter treasure	--	121.35
Golf balls	4,023.64	3,950.30
Golf NSW Fees	220.00	490.00
Ladies annual dinner	524.71	329.76
Ladies open expenses	605.10	875.00
Mens Golf COVID medley	995.00	--
Pennant expenses	495.00	1,683.00
Postage & stationery	50.15	367.00
Raffles	206.15	319.15
Shirts & merchandise	30.24	941.00
Sundry expenses	1,630.04	1,364.45
TBCC monthly levy	3,000.00	--
Tournaments	2,248.00	2,621.00
Travel representative expense	290.00	460.00
Trophies / Vouchers	19,489.32	23,166.50
Week of Golf	370.00	--
Veteran Women Golf annual fees	222.00	339.00
	38,265.25	39,625.83
<b>SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR</b>	16,744.34	23,781.07





**TATHRA BEACH COUNTRY CLUB LADY GOLF MEMBERS**

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	2020	2019
<b>CAPITAL AND CURRENT ACCOUNTS</b>		
Opening Balance	53,812.02	52,030.95
	-----	-----
Surplus for year – General working account	16,744.34	23,781.07
	-----	-----
	70,556.36	75,812.02
	-----	-----
<b>Non-Operating Transfers</b>		
Contributions – P & D Account	(12,000.00)	(22,000.00)
	-----	-----
<b>FUNDS AVAILABLE</b>	58,556.36	53,812.02
	=====	=====
<b>REPRESENTED BY</b>		
<b>Current Assets</b>		
Cash on hand – Petty cash	34.40	188.05
Undeposited funds	2,908.70	3,915.30
National Australian Bank – Bank Account	32,555.96	27,168.26
National Australian Bank – Term Deposits	23,057.30	22,540.41
	-----	-----
<b>TOTAL ASSETS</b>	58,556.36	53,812.02
	-----	-----
<b>NET ASSETS</b>	58,556.36	53,812.02
	=====	=====



**TATHRA BEACH COUNTRY CLUB GOLF MEMBERS - MEN**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020	2019
<b>GENERAL WORKING ACCOUNT</b>		
<b>Income</b>		
Catering	--	75.00
Competition fees	60,664.30	72,001.60
Members trophy donations	395.00	520.00
Junior promotions	--	100.00
Raffles - Saturday	4,124.50	5,456.65
Sales - Clothing	230.00	260.00
Shootout	94.00	96.00
Special events	5,426.50	2,875.00
Sponsorship	6,020.00	16,700.00
Sundries	49.00	--
	-----	-----
	77,003.30	98,084.25
	-----	-----
<b>Expenses</b>		
Catering	1,714.09	5,949.05
Clothing	403.20	483.00
Electricity	7,200.00	7,145.45
Golf balls	4,927.63	4,460.79
Golf link / Phone	780.00	774.09
Junior promotions	--	377.00
Pennant expenses	--	668.05
Printing, postage & stationery	849.40	2,384.70
Raffle expenses	2,643.43	5,490.66
Special events	2,944.00	3,946.50
Sponsors' expenses	88.70	--
Sundry expenses	364.00	--
Trophies & Prizes	38,690.81	38,331.56
TBCC monthly levy	3,084.00	--
	-----	-----
	63,689.26	70,010.85
	-----	-----
<b>SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR</b>	13,314.04	28,073.40
	=====	=====



**TATHRA BEACH COUNTRY CLUB GOLF MEMBERS - MEN**

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	2020	2019
<b>CAPITAL AND CURRENT ACCOUNTS</b>		
Opening Balance	146,539.30	145,810.60
	-----	-----
Surplus for year – General working account	13,314.04	28,073.40
Interest from term deposit	1,523.13	1,473.48
	-----	-----
	161,376.47	175,357.48
	-----	-----
<b>Non-Operating Transfers / Payments</b>		
Contributions – P & D Account	(12,000.00)	(12,000.00)
Contribution – Course Machinery	(790.00)	(16,818.18)
	-----	-----
<b>FUNDS AVAILABLE</b>	148,586.47	146,539.30
	=====	=====
<b>REPRESENTED BY</b>		
<b>Current Assets</b>		
National Australian Bank Account	69,534.35	69,010.31
Horizon Term Deposit	79,052.12	77,528.99
	-----	-----
<b>TOTAL ASSETS</b>	148,586.47	146,539.30
	-----	-----
<b>NET ASSETS</b>	148,586.47	146,539.30
	=====	=====



**TATHRA BEACH COUNTRY CLUB GOLF MEMBERS  
PROGRESS & DEVELOPMENT ACCOUNT**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020	2019
<b>Income</b>		
Contributions – TBCC Ladies Golf	12,000.00	12,000.00
Contributions – TBCC Men’s Golf	12,000.00	12,000.00
Interest Received	225.58	228.64
	-----	-----
	24,225.58	24,228.64
	-----	-----
<b>Expenditure</b>		
TBCC Machinery & Equipment Purchases	10,597.59	13,409.28
	-----	-----
<b>SURPLUS / (DEFICIT) OF INCOME OVER EXPENDITURE FOR THE YEAR</b>	13,627.99	10,819.36
	=====	=====

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

**CAPITAL ACCOUNT**

Opening Balance	16,994.60	6,175.24
Surplus / (Deficit) for year	13,627.99	10,819.36
	-----	-----
<b>FUNDS AVAILABLE</b>	30,622.59	16,994.60
	=====	=====

**REPRESENTED BY**

**Current Assets**

Horizon - P & D Bank A/Cs & Term Deposit	30,622.59	16,994.60
	-----	-----
<b>NET ASSETS</b>	30,622.59	16,994.60
	=====	=====



**TATHRA BEACH COUNTRY CLUB TENNIS CLUB**

**FINANCIAL STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020	2019
<b>Income</b>		
Night tennis	--	934.00
Interest received	0.93	4.79
Interest received – IMB Term Deposit	1,515.70	1,568.16
	-----	-----
	1,516.63	2,506.95
	-----	-----
<b>Expenditure</b>		
Tuesday comp	50.14	313.95
Maintenance - Court repairs	--	2,630.80
Miscellaneous - drinks, groceries etc.	61.88	143.41
Hit up wall	--	5,962.82
TBCC monthly levy	600.00	--
	-----	-----
	712.02	9,050.98
	-----	-----
<b>SURPLUS / (DEFICIT) OF INCOME OVER EXPENDITURE FOR THE YEAR</b>	804.61	(6,544.03)
<b>Accumulated Funds as at 31 August 2019</b>	65,815.54	72,359.57
	-----	-----
<b>ACCUMULATED FUNDS AS AT 31 AUGUST 2020</b>	66,620.15	65,815.54
	=====	=====
<b>Represented By:</b>		
Cash at IMB Working account	2,196.43	2,907.52
IMB Term Deposit	64,423.72	62,908.02
	-----	-----
	66,620.15	65,815.54
	=====	=====