

# **TEA GARDENS COUNTRY CLUB LIMITED**

**ABN: 30 001 038 660**

## **FINANCIAL REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## CONTENTS

FOR THE YEAR ENDED 30 JUNE 2021

<b>Financial Report</b>	<b>Page</b>
Club Property Declaration	1
Directors' Report	2
Auditor's Independence Declaration	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	11
Statement of Cash Flows	12
Notes to the Financial Statements	13
Directors' Declaration	28
Independent Auditor's Report	29
Disclaimer	32
Trading Statement/Profit and Loss Statement	33

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## CLUB PROPERTY DECLARATION

FOR THE YEAR ENDED 30 JUNE 2021

Pursuant to Section 41E of the *Registered Clubs Act 1976* the Directors declare that, for the financial year ended 30 June 2021, the classification of the leasehold land is as follows:

Property Address	Current Usage	Classification
Lot 2 DP 870920 Yalinbah St Tea Gardens	Club House & Bowling Greens	Core
Lot 3 DP 870920 Yalinbah St Tea Gardens	Motel	Core
Lot 1 DP 870920 Yalinbah St Tea Gardens	Block Adjacent to Bayview Rd	Non-core
Lot 27 DP 737629 Myall St Tea Gardens	Caretakers Cottage	Non-core

### Notes to Members

Section 41E of the *Registered Clubs Act 1976* requires the annual report to specify the core property and non-core property of the Tea Gardens Country Club Limited (the Club) as at the end of the financial year to which the report relates.

1. Core property is any real property owned or occupied by the Club that comprises:

- a) the defined premises of the Club; or
- b) any facility provided by the Club for use of its members and their guests; or
- c) any other property declared by a resolution passed by a majority of the members presents at a general meeting of Ordinary members of the Club to be core property of the Club

2. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of ordinary members of the Club not to be core property.

3. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:

- a) The property has been valued by a registered valuer within the meaning of the *Valuers Act 2003*;
- b) The disposal has been approved at a general meeting of the ordinary member of the Club at which the majority of the votes cast support the approval; and
- c) Any sale is by way of public auction or open tender conducted by an independent real estate agency or auctioneer.

4. These disposal provisions and what constitutes a disposal for the purpose of section 41E are to some extent modified by regulations made under the *Registered Clubs Act 1976 (NSW)* and by Section 41E itself. For example, the requirements in paragraph 3 (a) above do not apply to: core property that is being leased or licensed for a period not exceeding 10 years on terms that have to be subject of a valuation by a registered valuer.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 30 JUNE 2021

The Directors present their report on Tea Gardens Country Club Limited (the Company) for the financial year ended 30 June 2021.

#### Information on directors

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

Mr Russell Armstrong

Appointed

2018

Experience

3 years experience on the Board of Tea Gardens Country Club, Russell has had over 30 years of corporate experience including 20 years at Bond Coats Patons and 10 years at the Central Coast Leagues Club as Purchasing Manager. Russell has completed the Director Foundation and Management Collaboration and Finance for Clubs Director courses.

Mr Ross Barry

Appointed

2016

Experience

5 years on the Board of Tea Gardens Country Club, Ross has completed the Director Foundation and Management Collaboration and Finance for Clubs Director courses. Ross ran his own business for 10 years and worked as an electrical supervisor with Downer EDI prior to his retirement.

Mr Danny Johnson

Appointed

2012

Experience

9 years on the Board of Tea Gardens Country Club. Danny has completed the Director Foundation and Management Collaboration and Finance for Clubs Directors Courses. Danny has over 25 years experience as a Federal Law enforcement Officer.

Mr Terry Munright

Appointed

2008

Experience

13 years on the Board of Tea Gardens Country Club, Terry has completed 4 years as President after 4 years as Vice President. Terry has also been the President of Tea Gardens RSL Sub-Branch.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

### Information on directors

Mr Malcolm Motum

Appointed

2017

Experience

Malcolm is semi-retired after spending 34 years in the Australian Army as an aircraft engineer. The Motum family has been in Tea Gardens for four generations. Malcolm has completed the Director Foundation and Management Collaboration and Finance for Clubs Director courses.

Mr Colin Haigh

Appointed

29 November 2020

Experience

Colin has resided in Tea Gardens since his retirement in 2020. He has extensive experience in project and business management, plus contract, supplier, and workforce negotiations. Colin has completed the Director Foundations and Management Collaboration and Finance for Clubs Director Courses.

Mrs Heather Vaughan

Appointed

2013

Experience

8 years on the Board of the Tea Gardens Country Club, the last 4 years as Vice President, Heather has completed the mandatory Director training program. She is a past employee of the club and has had an association with the club and the community for over 40 years.

Mr Ron Webster

Appointed

2014

Experience

7 years on the Board of Tea Gardens Country Club, Ron has completed the Directors Foundation and Management Collaboration and Finance for Clubs director training program. He was self employed in the transport industry for over 40 years.

Mr Terry Moore

Appointed

29 November 2020

Experience

Retired for 3 years, Terry has owned a house in Hawks nest for over 30 years and spent the majority of his career in various Australia Post positions. Terry has completed the Director Foundation and Management Collaboration and Finance for Clubs Director training programs.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

### Information on directors

Mrs Marcia Smith

Resigned

29 November 2020

Experience

7 years on the Board of Tea Gardens Country Club as Honorary Treasurer. Marcia has completed the Foundation and Management Collaboration and Finance for Clubs Director training program. Marcia has a Certificate IV in Accounting and has worked in Administration Management for over 10 years

Mr Graeme Watkins

Resigned

29 November 2020

Experience

Graeme previously served on the Board in 2012 2013. Graeme has completed the Director Foundation and Management Collaboration and Finance for Clubs Director training program.

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

### Principal activities

The principal activities of Tea Gardens Country Club Limited during the financial year were the operation of the licensed Club and the promotion of various sports and recreational pursuits within the local community as dictated by current trends.

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

### Short term objectives

The Company's short term objectives are:

- To diversify income streams to reduce dependence of the Club on gaming operations and ensure the Club maintains profitability in all areas of operations;
- To assist the local community via sponsorships and donations and/or the use of the Club's facilities;
- To provide modern facilities; and
- To promote the Club and its facilities.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

### Long term objectives

The Company's long term objectives are:

- To maintain long term profitability enabling the Club to continue updating Clubhouse facilities and equipment to offer the best possible facilities to the Club's members and guests;
- To provide and maintain clubhouse and associated structures in connection with the objectives of the Club and to permit the same and all other property of the Club to be used by its members, guests, and invitees either gratuitously or for payment;
- To update and maintain the motel to make it the place of choice for accommodation for visitors to the town and in turn increase patronage of the Club and its facilities;
- To establish and maintain a strong relationship with the local community; and
- To continue to operate on a not for profit basis, preserving any surpluses for the benefit of members.

### Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- The Club maintains a stable level of membership with strong engagement with the local Community;
- The Board continually monitors membership levels and customer satisfaction and participation in Club promotions and events;
- The Board strongly supports local charity and sporting organisations;
- The Board provides a high level of entertainment and promotions for the enjoyment of members and guests;
- The Board continues to train staff to comply with Government legislation; and
- The Board continues to upgrade and provide modern amenities for the benefit of members.

### Key performance measures

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

- The Company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the Directors to assess the financial sustainability of the Company and whether the Company's short and long term objectives are being achieved. The Company measures and monitors performance by comparing actual monthly and year to date results. The Board reviews key performance indicators including membership numbers, gross and net profit margins, and trading results in key income areas such as bar and gaming operations.

Full Memberships: 30 June 2020 - 3,713

Full Memberships: 30 June 2021 - 4,020

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

### Members' guarantee

Tea Gardens 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 and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$5 for members that are corporations and \$5 for all other members, subject to the provisions of the Company's constitution.

At 30 June 2021 the collective liability of members was \$ 20,100 (2020: \$ 18,565).

### Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

### Meetings of directors

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

Directors' Meetings		
	Number eligible to attend	Number attended
Mr Russell Armstrong	13	13
Mr Ross Barry	13	13
Mr Danny Johnson	13	11
Mr Malcolm Motum	13	13
Mr Terry Munright	13	12
Mr Colin Haigh	8	8
Mrs Heather Vaughan	13	12
Mr Terry Moore	13	12
Mr Ron Webster	13	11
Mrs Marcia Smith	5	5
Mr Graeme Watkins	5	4



# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## DIRECTORS' REPORT

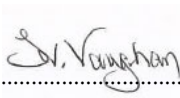
FOR THE YEAR ENDED 30 JUNE 2021

### Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 8 of the financial report.

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

Director: .....  
Mr Terry Munright

Director: .....  
Mrs Heather Vaughan

Dated: 26 October 2021

**TEA GARDENS COUNTRY CLUB LIMITED**  
**ABN: 30 001 038 660**

**AUDITOR'S INDEPENDENCE DECLARATION**

**FOR THE YEAR ENDED 30 JUNE 2021**

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

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

**National Audits Group Pty Ltd**  
**Authorised Audit Company**



**Stephen Prowse**  
**Director**

**Dated: 27 October 2021**

**Wagga Wagga**

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

		2021	2020
	Note	\$	\$
Revenue		3,116,495	2,411,532
Other income		285,500	659,000
	5	3,401,995	3,070,532
<b>Less: Expenses</b>			
Purchases net movement of inventories	7	400,089	335,058
Administration expenses		80,351	71,381
Advertising		27,279	21,089
Cleaning and contractors		222,840	174,011
Depreciation and amortisation expense		295,729	293,003
Employee benefits expense		1,031,689	985,969
Equipment hire & rental		3,271	52,848
Freight and cartage		10,466	7,521
Insurance expense		75,510	82,666
Interest paid		36,130	67,158
Loss on disposal of non-current asset		7,450	10,809
Members amenities		31,620	66,370
Members promotions		67,344	57,649
Members rewards		11,726	37,631
Other expenses		87,198	134,889
Poker machine expenses		216,495	171,602
Raffle prizes		145,453	149,763
Repairs and maintenance		140,602	209,631
Subscriptions & fees		133,562	125,098
Utilities & rates		106,292	118,784
		270,899	(102,398)
<b>Profit/(loss) before income tax</b>		270,899	(102,398)
Income tax expense	4	(35,017)	-
Other comprehensive income		-	-
		-	-
<b>Total other comprehensive income/(loss)</b>		235,882	(102,398)

The accompanying notes form part of these financial statements.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	8	187,773	90,274
Trade and other receivables	9	33,947	79,388
	10	29,482	28,876
Other assets	11	113,890	88,406
TOTAL CURRENT ASSETS		<u>365,092</u>	<u>286,944</u>
NON-CURRENT ASSETS			
Property, plant and equipment	12	4,523,661	4,544,662
Investment property	13	36,379	36,379
TOTAL NON-CURRENT ASSETS		<u>4,560,040</u>	<u>4,581,041</u>
TOTAL ASSETS		<u>4,925,132</u>	<u>4,867,985</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	14	159,707	176,904
Borrowings	15	2,050,000	2,220,000
Employee benefits	17	222,025	212,599
Other liabilities	16	114,525	104,681
TOTAL CURRENT LIABILITIES		<u>2,546,257</u>	<u>2,714,184</u>
NON-CURRENT LIABILITIES			
Employee benefits	17	25,491	22,117
Other liabilities	16	9,454	23,636
TOTAL NON-CURRENT LIABILITIES		<u>34,945</u>	<u>45,753</u>
TOTAL LIABILITIES		<u>2,581,202</u>	<u>2,759,937</u>
NET ASSETS		<u>2,343,930</u>	<u>2,108,048</u>
<b>EQUITY</b>			
Retained earnings		<u>2,343,930</u>	<u>2,108,048</u>
TOTAL EQUITY		<u>2,343,930</u>	<u>2,108,048</u>

The accompanying notes form part of these financial statements.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at the beginning of the year</b>	2,108,048	2,210,446
Profit/(loss) before income tax	270,899	(102,398)
Prior period adjustment (2020 Income tax expense)	(44,539)	-
Income tax refund	9,522	-
<b>Balance at the end of the year</b>	<u>2,343,930</u>	<u>2,108,048</u>

The accompanying notes form part of these financial statements.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	3,154,213	2,345,150
Payments to suppliers and employees	(2,825,050)	(2,892,654)
Receipts from government funding	285,500	179,000
Interest received	1	87
Interest paid	(38,536)	(67,158)
<b>Net cash provided by/(used in) operating activities</b>	<u>576,128</u>	<u>(435,575)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(284,448)	(175,551)
Receipt from sale of motel business	-	480,000
Proceeds from sale of non-current assets	-	5,714
<b>Net cash provided by/(used in) investing activities</b>	<u>(284,448)</u>	<u>310,163</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	140,000	-
Repayment of borrowings	(310,000)	103,345
Payment of finance lease liabilities	(24,181)	(48,269)
<b>Net cash provided by financing activities</b>	<u>(194,181)</u>	<u>55,076</u>
<b>Net decrease in cash and cash equivalents held</b>	97,499	(70,336)
Cash and cash equivalents at beginning of year	90,274	160,610
<b>Cash and cash equivalents at end of financial year</b>	8 <u>187,773</u>	<u>90,274</u>

The accompanying notes form part of these financial statements.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

The financial report covers Tea Gardens Country Club Limited as an individual entity. Tea Gardens Country Club Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Tea Gardens Country Club Limited is Australian dollars (\$AUD) and all amounts have been rounded to the nearest dollar.

The financial report was authorised for issue by the Directors on 26 October 2021.

### 1 BASIS OF PREPARATION

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, *Corporations Act 2001* and *Corporations Regulation 2001*.

The Company has opted to adopt AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* ahead of its mandatory effective date of 1 July 2021. Other than the change in disclosure requirements, the adoption of AASB 1060 has no significant impact on the financial statements because the Company's previous financial statements complied with Australian Accounting Standards - Reduced Disclosure Requirements.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Income Tax

The mutuality principle has been applied to the calculation of the Company's income tax.

The Company does not recognise deferred tax assets as the Company has assessed the tax losses carried forward from prior periods as unrecoverable.

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (b) Revenue and other income

For comparative year

##### Revenue from contracts with customers (AASB 15)

Under AASB 15 the Company recognises revenue on a basis that reflects the transfer of promised goods or services to patrons 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

Under AASB 1058, the Company recognises revenue when the Company gains control over an asset transferred to them.

The Company's accounting policies for recognising revenue is outlined in further detail below.

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

##### Sales revenue

Revenue derived through bar sales is recognised on transfer of goods to the patron as this is deemed to be the point in time when all the risks and rewards associated with the goods are transferred, there is no longer any ownership or effective control over the inventory and the Company's performance obligations have been met.

##### Rendering of services

Revenue from the rendering of services is recognised upon delivery of the service to the customer or patron as that is determined to be the point in time the performance obligation is met.

##### Interest revenue

Interest is recognised using the effective interest method.

##### Other income

Other income is recognised on an accruals basis when the Company is entitled to it after satisfying a specific and enforceable performance obligation.

Other income includes subsidies from the Government and is recognised as revenue in profit or loss when the assistance is received. During the period the Company received the JobKeeper subsidy and a COVID-19 cash flow boost.

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



# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (c) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and cash at bank which is readily convertible to known amounts of cash and which is subject to an insignificant risk of change in value.

#### (d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written off in the statement of profit or loss and other comprehensive income when deemed to be damaged or obsolete.

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

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

#### (e) 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 payable 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.

#### (f) 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.

##### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost.

##### **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.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (f) Financial instruments

##### Financial assets

##### *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); or
- the financial assets is more than 90 days past due.

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 and contract assets*

Impairment of trade receivables and contract assets 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 contract asset 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.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (f) Financial instruments

##### Financial liabilities

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

#### (g) 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.

##### Land and buildings

Land and 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 reducing balance basis over the assets useful life to the Company, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Buildings	2.5-20%
Plant and Equipment	20-50%
Motor Vehicles	12.5-20%
Improvements	2.5-25%

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.

#### (h) Investment property

Investment properties measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses recognised at date of revaluation.

#### (i) 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, plus related on-costs.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (i) Employee benefits

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.

#### (j) Going concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The Company is expecting to generate net profits and positive cashflows in future years and the Directors have concluded the going concern assumption in the preparation of the current year financial statements is appropriate.

For the year ended 30 June 2021, the Company reported a total comprehensive income of \$235,882 (2020: net loss \$102,398), and a deficiency in current assets of \$2,181,165 (Current Assets less Current Liabilities). This is predominately due to the loans from Commonwealth Bank of Australia (CBA) of \$2,050,000 being classified as a current liability, as the Company does not have an unconditional right to defer settlement beyond 12 months. The Directors believe the Company will have sufficient working capital to operate over the next 12 months and beyond.

Based on the loan facility's terms and conditions and the projected long-term profitability of the Company, the Directors do not anticipate the Company's lenders to request full repayment of these facilities within the next 12 months. In the unlikely event the lenders do recall the debt, the Directors are confident they will be able to source alternative funding.

As detailed in Notes 20 and 22, the COVID-19 pandemic may have an impact on the operations of the Company over the foreseeable future. However, the Federal and State Governments, suppliers and financial institutions have provided financial support when significant impacts occur. At the time of the financial report, the Directors are not aware of anything to suggest this support would not continue, should there be further impacts on operations due to COVID-19 .

### 3 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 have been reviewed under the expected credit loss model based on historical and forward looking information and a provision has been included based on the estimate made. This provision is based on the best information available at the reporting date.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

#### ***Key estimates - impairment of property, plant and equipment***

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

#### ***Key estimates - revenue recognition***

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

#### ***Key estimates - provisions***

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

#### ***Key estimates - inventory***

The inventory held is reviewed on an annual basis to determine whether there is any old, damaged or obsolete stock or any other stock items which need to be written down to net realisable value (NRV) based on the current economic conditions, sales histories and forecasts and market research by the Company.

#### ***Key judgments - Coronavirus (COVID-19) pandemic***

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavorably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

### 4 PRIOR YEAR ERROR

The Company sold the motel business during the 2020 financial year. The sale of the goodwill triggered a Capital Gains Tax event. At the time of the 2020 financial report, the income tax return had not been prepared and it was estimated there would be no income payable. On completion of the 2020 Income Tax Return, it was determined that none of the GCT concessions could be applied to the sale of the goodwill. The sale of the motel business resulted in a taxable profit and an income tax payable amount of \$44,539 for the year. The tax was paid during the current financial year. The Company determined it is appropriate to include this in the current year financial report by way of the notes to the financial statements. The 2021 Income tax return has been lodged and as at the date of the financial report the Company is owed a refund of income tax, in the amount of \$9,522. The income tax expense amount of \$35,017 in the Statement of Profit or Loss and Other Comprehensive Income is the net of the 2020 income tax paid and the refund of income tax for 2021.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>5 REVENUE AND OTHER INCOME</b>		
<b>Revenue from contracts with customers (AASB 15)</b>		
- Accommodation	-	48,096
- Bar sales	981,306	834,506
- Bingo	59,018	51,328
- Green fees	41,425	30,893
- Interest received	1	87
- Keno commissions	50,332	49,723
- Lease income	100,000	86,973
- Membership subscriptions	23,330	20,015
- OSR rebate refund	50,775	-
- Other income	54,655	10,688
- Poker machines	1,435,178	1,105,116
- Raffles	106,148	102,304
- Rebates	58,526	26,509
- Rental income	20,371	25,746
- TAB Commissions	19,668	13,834
	<u>3,000,733</u>	<u>2,405,818</u>
<b>Revenue recognised on receipt (AASB 1058)</b>		
- Cash flow boost (COVID-19)	50,000	50,000
- JobKeeper subsidy	235,500	129,000
- Proceeds from sale of motel business	-	480,000
- Insurance recovery	68,860	-
- Profit on sale of non-current assets	46,902	5,714
	<u>401,262</u>	<u>664,714</u>
<b>Total Revenue and other income</b>	<u>3,401,995</u>	<u>3,070,532</u>
<b>6 AUDITOR'S REMUNERATION</b>		
Remuneration of the auditor National Audits Group Pty Ltd for:		
- audit and assisting with completion of the financial statements	<u>18,000</u>	<u>18,000</u>

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>7 COST OF GOODS SOLD (BAR)</b>		
Opening Inventory	28,657	21,343
Purchases	400,914	342,372
Less: Closing Inventory	(29,482)	(28,657)
	<u>400,089</u>	<u>335,058</u>
<b>8 CASH AND CASH EQUIVALENTS</b>		
Cash at bank and in hand	<u>187,773</u>	<u>90,274</u>
<b>9 TRADE AND OTHER RECEIVABLES</b>		
CURRENT		
Trade receivables	21,975	8,251
GST receivable	-	14,034
Income tax receivable	9,522	-
Other receivables	2,450	57,103
	<u>33,947</u>	<u>79,388</u>
<b>10 INVENTORIES</b>		
CURRENT		
At net realisable value:		
Stock on hand - bar	29,482	28,657
Stock on hand - bingo	-	219
	<u>29,482</u>	<u>28,876</u>

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>11 PREPAYMENTS</b>		
CURRENT		
Prepayments	113,890	88,406
	<u>113,890</u>	<u>88,406</u>
<b>12 PROPERTY, PLANT AND EQUIPMENT</b>		
Freehold land		
At cost	605,025	605,025
	<u>605,025</u>	<u>605,025</u>
Buildings		
At cost	2,883,555	2,883,555
Accumulated depreciation	(1,080,665)	(998,157)
	<u>1,802,890</u>	<u>1,885,398</u>
Improvements		
At cost	2,061,590	2,048,890
Accumulated depreciation	(786,360)	(745,793)
	<u>1,275,230</u>	<u>1,303,097</u>
Plant and equipment		
At cost	3,020,288	2,969,480
Accumulated depreciation	(2,263,283)	(2,266,539)
	<u>757,005</u>	<u>702,941</u>
Motor vehicles		
At cost	116,848	116,848
Accumulated depreciation	(75,928)	(68,647)
	<u>40,920</u>	<u>48,201</u>
Capital works in progress		
At cost	42,591	-
	<u>42,591</u>	<u>-</u>
	<u>2,115,746</u>	<u>2,054,239</u>
<b>Total property, plant and equipment</b>	<u>4,523,661</u>	<u>4,544,662</u>



## TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

#### 12 PROPERTY, PLANT AND EQUIPMENT

##### *(a) Movements in carrying amounts of property, plant and equipment*

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

	Capital Works in Progress	Land	Buildings	Improvements	Plant and Equipment	Motor Vehicles	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>							
Balance at 1 July 2019	-	605,025	1,885,398	1,303,097	702,941	48,201	4,544,662
Additions	42,591	-	-	12,700	229,157	-	284,448
Disposals	-	-	-	-	(9,720)	-	(9,720)
Depreciation expense	-	-	(82,508)	(40,567)	(165,373)	(7,281)	(295,729)
<b>Balance at the end of the year</b>	<b>42,591</b>	<b>605,025</b>	<b>1,802,890</b>	<b>1,275,230</b>	<b>757,005</b>	<b>40,920</b>	<b>4,523,661</b>

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>13 INVESTMENT PROPERTY</b>		
Cottage Lot 27 Myall St, Tea Gardens at Cost	36,379	36,379
<b>14 TRADE AND OTHER PAYABLES</b>		
CURRENT		
Trade payables	85,786	27,677
GST payable	25,203	2
Accrued expense	27,846	97,252
Other payables	20,872	51,973
	<u>159,707</u>	<u>176,904</u>
<b>15 BORROWINGS</b>		
Bank loans	<u>2,050,000</u>	<u>2,220,000</u>

On 16 November 2017, the Company entered into a bank loan facility agreement with the Commonwealth Bank of Australia (CBA). The loan facility provided was \$2,500,000 for a term of 3 years. Repayment terms for the facility is interest only repayments payable in arrears with a variable interest rate, which was 2.70% at commencement. The security for the loan facility is a Registered Mortgage over the Company's property situated at 129 Myall St & 2A Yalinbah St, Tea Gardens.

On 10 June 2020, the Company entered into a Business Loan - Coronavirus Guarantee Scheme arrangement with CBA. The scheduled amount provided by the arrangement is \$150,000 for a term of 3 years. Repayment terms for the facility is interest only repayments payable in arrears with a variable interest rate, which was 4.50% at commencement.

The funding holds special conditions with:

- First 6 months of term with no repayments and interest is deferred and capitalised;
- Principal and Interest payments for the remaining term;
- Multiple drawings are permitted by way of using redraw feature;
- Waiver of Facility fees (Loan Service fees, Commitment fee and establishment fee); and
- Waiver of the Premium interest rate.

The loans provided by the CBA have been recognised as a current liability of the Company due to the bank's ability to call upon the outstanding loan amount at any time.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	\$	\$
<b>16 OTHER LIABILITIES</b>		
CURRENT		
Lease liabilities	14,181	24,180
Accumulate Funding - Insurance	100,344	80,501
	<u>114,525</u>	<u>104,681</u>
NON-CURRENT		
Lease liabilities	<u>9,454</u>	<u>23,636</u>
<b>17 EMPLOYEE BENEFITS</b>		
CURRENT		
Long service leave	128,435	125,337
Annual Leave	92,492	82,205
Other employee benefits	1,098	5,057
	<u>222,025</u>	<u>212,599</u>
NON-CURRENT		
Long service leave	<u>25,491</u>	<u>22,117</u>

## 18 RELATED PARTIES

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

Tea Gardens Country Club Limited was deemed to have the power and authority to exercise control over its subsidiary Clubs. The subsidiary Clubs operating during the year were as follows:

- Tea Gardens Country Club Limited: Women's Bowling Club;
- Tea Gardens Country Club Limited: Men's Bowling Club; and
- Tea Gardens Country Club Limited: Fishing Club.

The Directors have assessed the financial position of each subsidiary Club as at 30 June 2021 and their financial performance for the year ended on that date to determine whether the exclusion of the subsidiaries would materially misstate the Company's financial report.

In the Directors opinion, the abovementioned subsidiaries were deemed to be material to the Company's overall operations and therefore have been included in the financial report.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### 18 RELATED PARTIES

#### *Transactions with related parties*

There were no material transactions with related parties during the current and previous financial year.

### 19 KEY MANAGEMENT PERSONNEL DISCLOSURES

#### *Total remuneration paid*

The total aggregate compensation made to key management personnel of the Company was in the range of \$100,000 - \$110,000 (2020: \$100,000 - \$110,000).

### 20 CONTINGENCIES

The impact of the Coronavirus (COVID-19) pandemic is ongoing and it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The impacts of the pandemic continue to evolve and are dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions, economic sanctions imposed and economic stimulus that may be provided.

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (30 June 2020: None).

### 21 COMMITMENTS

The Company committed to purchase new poker machine chairs from Mint Furniture for \$22,000.

### 22 EVENTS AFTER THE END OF THE REPORTING PERIOD

The financial report was authorised for issue on 26 October 2021 by the Board of Directors.

Subsequent to year end a coronavirus COVID-19 outbreak occurred in New South Wales (NSW). The Company was ordered into a statewide lockdown on 14 August 2021, as part of the health orders imposed by the NSW Government. This lockdown resulted in the Company being forced to cease all operations except for takeaways from the restaurant, during the period of the lockdown.

The Company successfully applied for government assistance under the Jobsaver Program and received Jobsaver payments to assist in meeting its operating expenses, including payment of creditors during the lockdown. The lockdown was lifted on 11 September 2021.

The Company has also re-drawn \$50,000 from the CBA market loan account to assist with to current COVID-19 lockdown and closures.

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.

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### **23 STATUTORY INFORMATION**

The registered office and principal place of business of the company is:

Tea Gardens Country Club Limited

2a Yalimbah St

Tea Gardens NSW 2324

**TEA GARDENS COUNTRY CLUB LIMITED**

ABN: 30 001 038 660

**DIRECTORS' DECLARATION**

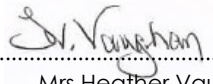
**FOR THE YEAR ENDED 30 JUNE 2021**

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 9 to 27, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Simplified Disclosures and *Corporations Regulation 2001*; and
  - b. give a true and fair view of the Company's financial position as at 30 June 2021 and of the performance for the year then ended.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director .....  
  
Mr Terry Munright

Director .....  
  
Mrs Heather Vaughan

Dated: 26 October 2021

**TEA GARDENS COUNTRY CLUB LIMITED**  
**ABN: 30 001 038 660**

**INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the accompanying financial report, being a special purpose financial report of Tea Gardens Country Club Limited (the Company), which comprises the statement of financial position as at 30 June 2021, 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 30 June 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures to the extent described in Note 1 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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

**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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The Directors' responsibility also includes such internal control as the Directors determine necessary to enable the preparation of a 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.

## **TEA GARDENS COUNTRY CLUB LIMITED**

**ABN: 30 001 038 660**

### **INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

#### **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.



**TEA GARDENS COUNTRY CLUB LIMITED**  
ABN: 30 001 038 660

**INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED 30 JUNE 2021**

**Auditor's Responsibilities for the Audit of the Financial Report (continued)**

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.

**National Audits Group Pty Ltd**  
**Authorised Audit Company**



**Stephen Prowse**  
**Director**

**Dated: 27 October 2021**

**Wagga Wagga**

**TEA GARDENS COUNTRY CLUB LIMITED**

**ABN: 30 001 038 660**

**FOR THE YEAR ENDED 30 JUNE 2021**

**DISCLAIMER**

The additional financial data presented on page 33 to 35 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 30 June 2021. It should 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 Tea Gardens Country Club Limited, in respect of such data, including any errors of omissions therein however caused.

**National Audits Group Pty Ltd**  
**Authorised Audit Company**



**Stephen Prowse**  
**Director**

**Dated: 27 October 2021**

**Wagga Wagga**

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

FOR THE YEAR ENDED 30 JUNE 2021

## PROFIT AND LOSS ACCOUNT

	2021	2020
	\$	\$
<b>Consolidated</b>		
<b>Sale</b>		
Bar sales	964,062	817,617
Poker machine revenue	1,435,178	1,105,116
Cost of sales	(400,089)	(335,058)
<b>Gross Profit</b>	<b>1,999,151</b>	<b>1,587,675</b>
<b>Other Income</b>		
Accommodation	100,000	135,069
Membership subscriptions	23,330	20,015
Other income	36,998	11,559
Deposit for sale of motel business	-	480,000
Government subsidies	285,500	179,000
Interest received	1	87
Rental income	20,371	25,746
Donations	18,217	-
Keno commissions	50,332	49,723
TAB commissions	19,668	13,834
Bingo	59,018	51,328
Green fees	40,865	30,022
Raffles	106,148	102,304
Insurance recovery	68,860	-
Rebates	58,526	26,509
OSR rebate refund	50,775	-
Gain on sale of assets	46,902	5,714
<b>Total other income</b>	<b>985,511</b>	<b>1,130,910</b>
<b>Total income</b>	<b>2,984,662</b>	<b>2,718,585</b>
<b>Less Expenses</b>		
Advertising	27,279	21,089
Badge draw	6,545	13,273
Bank charges	66,659	59,924
Cleaning materials	-	3,089
Cleaning contractors	126,822	97,614
Complimentary items	-	1,202
Computer expenses	20,123	19,662
Courtesy bus expenses	7,904	13,267
Consulting & professional fees	20,200	12,073
Commissions & discounts	-	3,247

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

FOR THE YEAR ENDED 30 JUNE 2021

## PROFIT AND LOSS ACCOUNT

	2021	2020
	\$	\$
Depreciation	295,729	293,003
Donations	21,496	16,564
Electricity & gas	84,266	91,853
Equipment hire	3,271	40,191
Entertainment expenses	14,513	48,875
Freight & cartage	10,466	7,521
Insurance	94,579	103,331
Interest paid	36,130	67,158
Linen & hire	-	2,526
Poker machine expenses	204,816	176,294
Payroll tax	-	1,728
Postage	6,225	4,913
Member promotions and amenities	111,607	127,302
Repairs and maintenance	131,738	196,654
Salaries & wages	993,181	941,321
Staff amenities	12,524	6,111
Printing & stationery	8,916	9,178
Rates & taxes	28,039	37,319
Raffle prizes	145,453	149,763
Registration fees	6,380	21,947
Subscriptions	-	1,858
Superannuation contributions	92,378	84,888
Entertainment Expenses	5,108	9,689
Travel	4,818	7,016
Uniforms	1,802	709
Other expenses	159,813	118,831
Motel goodwill write-off	-	10,000
<b>Profit/(loss) for the year</b>	<b>235,882</b>	<b>(102,398)</b>

# TEA GARDENS COUNTRY CLUB LIMITED

ABN: 30 001 038 660

FOR THE YEAR ENDED 30 JUNE 2021

## DETAILED TRADING ACCOUNT

	2021	2020
	\$	\$
<b>Motel Division</b>		
<b>Income</b>		
Accommodation	-	48,096
Proceeds from sale of motel business	-	480,000
Rental income	100,000	86,973
Sundry Income	-	56
	<hr/>	<hr/>
	100,000	615,125
<b>Less: Direct expenses</b>		
Advertising	-	3,960
Bank fees	66,659	59,924
Cleaning materials	-	3,089
Computer expenses	-	1,011
Commissions & discounts	-	3,247
Complimentary items	-	1,202
Depreciation	62,016	67,377
Electricity & gas	-	5,339
Fringe benefits	-	28,586
Insurance	10,000	14,613
Interest	29,409	57,241
Linen & hire	-	2,526
Rates & taxes	-	2,075
Fees	-	4,572
Repairs & maintenance	1,440	9,628
Salaries & wages	-	17,477
Subscriptions	-	1,858
Superannuation contributions	-	2,061
Telephone expenses	-	1,307
	<hr/>	<hr/>
	(169,524)	(287,093)
<b>Net profit/(loss)</b>	<hr/> <hr/>	<hr/> <hr/>
	(69,524)	328,032