

Tenterfield Golf Club Limited

ABN 53 001 057 825

Annual Report - 30 June 2023

Tenterfield Golf Club Limited
Directors' report
30 June 2023

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2023.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Donald Phelan - Retired Tourism Operator (Club President and Chairman of the Board)
Graham Rossington - Retired Director of a Car Dealership (Club Treasurer)
William Eastgate - Retired Government Department Director (resigned 7 June 2023)
Michael Manser - Retired Government Roadwork Inspector
Letitia Jones - Retired Teacher
Robert Edmonds - Shire Department Manager
Scott Stratford - Retired Maintenance Analyst

Principal activities

The Company's principal activities are the operation of Licensed Golf Club, with attached Motel and Dining Facilities.

Objectives

Short Term Objectives of the Company

The company has identified the following short term objectives:

- To continue to promote the sport of golf, and memberships involvement in the sport along with squash and other sports based activities
- To strive to achieve the benchmark for financial performance of at least >10% EBITDARD (Earnings Before Interest, Tax, Depreciation, Amortisation, Rent and Donations)
- To review and ensure the continuing profitability of poker machines
- To ensure the timely presentation of appropriate financial reports at board meetings
- To provide a workplace that is compliant with industry regulations and legislation

The company has adopted the following strategies in order to achieve these short term objectives:

- To continue the operation of sport committees to achieve sporting outcomes and promotion of the Club
- Continue to be provided with timely financial reports to assist in making financial decisions
- Development of an operational budget and reporting back to such budget

Long Term Objectives of the Company

The company has identified the following long term objectives:

- To promote the game of golf in the community and to be recognised for our contribution to the sport, along with the sport of squash, and promote fundraising activities for charities in the community
- To strive to achieve the benchmark for financial performance of at least > 10% EBITDARD (Earnings Before Interest, Tax, Depreciation, Amortisation, Rent and Donations)
- To maintain a stable financial position for the Club
- To grow the company operations in accordance with member interests
- To continue to comply with industry regulations and legislation

The company has adopted the following strategies in order to achieve these long term objectives:

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- Continue to be provided with timely financial reports to assist in making financial decisions
- The continuing operation of sport committees to achieve sporting outcomes and promotion of the Club

Strategy for achieving the objectives

The company advertises and provides accommodation, golf, beverage and catering facilities to attract visitors and members alike to enable the company to meet its short term objectives. Border restrictions and COVID-19 have proven an inhibitor to this.

The company continues to lodge funding and grant applications to enhance facilities to allow for an improved experience for all golfers, both visitors and members. Prudent financial management will ensure that the long term objectives of the company are met.

Performance measures

The company uses the following key performance indicators to measure performance:

- Loss, after income tax expense, for the financial year was \$16,926, compared to a loss of \$7,506 in 2022
- Cash flow from operating activities for the financial year were \$257,294, compared to \$171,524 in 2022
- Memberships for the financial year was 689 compared to 603 in 2022
- EBITDARD of 10.46% was achieved for 2023 compared to the industry benchmark of between 10%-15%
- The company has complied with all Occupational Health and Safety, Employment and Environmental reviews conducted by external regulatory bodies.

Going Concern

The financial report has been prepared on a going-concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The COVID-19 pandemic which had a material effect on recent years trading appears to be less of a risk to future operations of the company. After undertaking a thorough review of the company's operations and cash flows, including trading budgets and break even analysis, the directors have ascertained that there is a reasonable expectation that the company has adequate resources and cash flows to continue operating for the foreseeable future.

The directors wish to emphasise that any statements involving future events require assumptions about the future and some forecasting. In the context of COVID-19 and other economic factors beyond the control of the board, the directors acknowledge the inherent uncertainty of forward planning statements and estimates.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board	
	Eligible to Attend	Attended
Michael Manser	11	11
Graham Rossington	11	11
William Eastgate	11	4
Don Phelan	11	11
Letitia Jones	11	10
Scott Stratford	11	11
Robert Edmonds	11	9

Membership Details

The Tenterfield Golf Club Ltd is a public company limited by guarantee and no shares or options are issued. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the company.

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Membership Class	Number of Members	Individual Members Contribution on winding up of Comany	Total Members Contribution on winding up of the Company
Life/Honorary Members	1	\$1	\$1
Social, Playing and Country Members	688	\$1	\$688
Total	689	\$1	\$689

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Donald Phelan
Director



Graham Rossington
Director

6 October 2023
288 Pelham Street, TENTERFIELD NSW 2372

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TENTERFIELD GOLF CLUB LIMITED ABN 53 001 057 825**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Westlawn Audit Services Pty Ltd



Paul Kenneth Trimble
Registered Company Auditor

22 Queen Street GRAFTON NSW 2460

Dated 6 October 2023

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

*Liability limited by a scheme approved
under Professional Standards Legislation*

Tenterfield Golf Club Limited
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General information

The financial statements cover Tenterfield Golf Club Limited as an individual entity. The financial statements are presented in Australian dollars, which is Tenterfield Golf Club Limited's functional and presentation currency.

Tenterfield Golf Club Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

288 Pelham Street, TENTERFIELD NSW 2372

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 6 October 2023. The directors have the power to amend and reissue the financial statements.

Tenterfield Golf Club Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	3	2,312,488	1,519,842
Other income	4	12,369	82,166
Interest received		171	63
Total revenue		<u>2,325,028</u>	<u>1,602,071</u>
Expenses			
Bar Expenses		(12,140)	(9,274)
Keno Expenses		(3,169)	(1,278)
Golf Expenses		(219,522)	(112,745)
TAB Expenses		(17,603)	(9,736)
Occupancy Expenses		(193,110)	(158,253)
Squash Court Expenses		(40)	(186)
Administration Costs		(57,571)	(51,286)
Poker Machine Expenses		(29,083)	(25,654)
Fairway Expenses		(123,263)	(174,681)
Employee benefits expense		(759,990)	(499,206)
Depreciation and amortisation expense		(222,160)	(158,600)
Write off of assets		(34,274)	-
Repair of Road		(114,328)	-
Other expenses		-	(5,058)
Finance costs		(3,923)	(9,087)
Cost of sales		(542,946)	(387,808)
Marketing		(8,832)	(6,725)
Total expenses		<u>(2,341,954)</u>	<u>(1,609,577)</u>
Loss for the year attributable to the owners of Tenterfield Golf Club Limited	17	(16,926)	(7,506)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the owners of Tenterfield Golf Club Limited		<u><u>(16,926)</u></u>	<u><u>(7,506)</u></u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Tenterfield Golf Club Limited
Statement of financial position
As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5	95,729	27,593
Trade and other receivables	6	3,590	9,877
Inventories	7	43,483	43,433
Other	8	59,719	49,972
Total current assets		<u>202,521</u>	<u>130,875</u>
Non-current assets			
Property, plant and equipment	9	2,907,730	2,990,480
Total non-current assets		<u>2,907,730</u>	<u>2,990,480</u>
Total assets		<u>3,110,251</u>	<u>3,121,355</u>
Liabilities			
Current liabilities			
Trade and other payables	10	121,067	128,561
Borrowings	11	129,706	66,593
Provisions	12	137,280	111,963
Other	13	49,591	48,496
Total current liabilities		<u>437,644</u>	<u>355,613</u>
Non-current liabilities			
Borrowings	14	81,184	159,770
Provisions	15	10,844	8,467
Total non-current liabilities		<u>92,028</u>	<u>168,237</u>
Total liabilities		<u>529,672</u>	<u>523,850</u>
Net assets		<u>2,580,579</u>	<u>2,597,505</u>
Equity			
Reserves	16	1,384,463	1,384,463
Retained profits	17	1,196,116	1,213,042
Total equity		<u>2,580,579</u>	<u>2,597,505</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Tenterfield Golf Club Limited
Statement of changes in equity
For the year ended 30 June 2023

	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2021	-	1,384,463	1,220,548	2,605,011
Loss for the year	-	-	(7,506)	(7,506)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(7,506)	(7,506)
Balance at 30 June 2022	-	1,384,463	1,213,042	2,597,505
	Issued capital \$	Reserves \$	Retained profits \$	Total equity \$
Balance at 1 July 2022	-	1,384,463	1,213,042	2,597,505
Loss for the year	-	-	(16,926)	(16,926)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(16,926)	(16,926)
Balance at 30 June 2023	-	1,384,463	1,196,116	2,580,579

The above statement of changes in equity should be read in conjunction with the accompanying notes

Tenterfield Golf Club Limited
Statement of cash flows
For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from customers		2,311,265	1,517,138
Payments to suppliers and employees		(2,064,977)	(1,409,272)
		246,288	107,866
Interest received		171	63
Other revenue and Government Subsidies		14,758	72,682
Interest and other finance costs paid		(3,923)	(9,087)
Net cash from operating activities	23	257,294	171,524
Cash flows from investing activities			
Payments for property, plant and equipment	9	(173,685)	(173,412)
Proceeds from disposal of property, plant and equipment		-	12,422
Net cash used in investing activities		(173,685)	(160,990)
Cash flows from financing activities			
Proceeds from borrowings		61,344	128,088
Repayment of borrowings		(76,817)	(172,402)
Net cash used in financing activities		(15,473)	(44,314)
Net increase/(decrease) in cash and cash equivalents		68,136	(33,780)
Cash and cash equivalents at the beginning of the financial year		27,593	61,373
Cash and cash equivalents at the end of the financial year	5	<u>95,729</u>	<u>27,593</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Tenterfield Golf Club Limited
Notes to the financial statements
30 June 2023

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Revenue recognition

The company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 1. Significant accounting policies (continued)

Income tax

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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Note 1. Significant accounting policies (continued)

Depreciation is calculated on a straight-line or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Class of Fixed Asset	Depreciation Rate
Golf Course Improvements	2.5% to 10%
Club House and Buggy Shed	2.5%
Plant & Equipment	10% to 40%
Furniture & Fittings	7.5% to 45%
Motel	2.5% to 20%
Squash Courts	2.5% to 5%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements if applicable are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 1. Significant accounting policies (continued)

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Tenterfield Golf Club Limited
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Note 3. Revenue

	2023	2022
	\$	\$
Sales of Goods and Services	2,143,262	1,497,217
Poker Machine Revenue	161,362	20,280
	<u>2,304,624</u>	<u>1,517,497</u>
<i>Other revenue</i>		
Grants Received	-	1,000
Sundry Income	7,864	1,345
	<u>7,864</u>	<u>2,345</u>
Revenue	<u><u>2,312,488</u></u>	<u><u>1,519,842</u></u>

Note 4. Other income

	2023	2022
	\$	\$
Net gain on disposal of property, plant and equipment	-	11,829
Government grants	-	12,500
Subsidies and grants	6,242	57,837
Insurance recoveries	6,127	-
	<u>12,369</u>	<u>82,166</u>
Other income	<u><u>12,369</u></u>	<u><u>82,166</u></u>

Note 5. Current assets - cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	45,563	27,386
Cash at bank	50,166	207
	<u>95,729</u>	<u>27,593</u>

Note 6. Current assets - trade and other receivables

	2023	2022
	\$	\$
Trade receivables	360	3,269
Poker Machine Rebate & Wage Subsidies	3,230	6,608
	<u>3,590</u>	<u>9,877</u>

Note 7. Current assets - inventories

	2023	2022
	\$	\$
Stock on hand - Bar	35,080	35,732
Stock on hand - Golf	8,403	7,701
	<u>43,483</u>	<u>43,433</u>

Tenterfield Golf Club Limited
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30 June 2023

Note 8. Current assets - other

	2023	2022
	\$	\$
Prepayments	54,719	44,972
Security deposits - TAB	5,000	5,000
	<u>59,719</u>	<u>49,972</u>

Note 9. Non-current assets - property, plant and equipment

	2023	2022
	\$	\$
Land and buildings - at cost	3,682,644	3,792,456
Less: Accumulated depreciation	<u>(1,257,812)</u>	<u>(1,222,153)</u>
	<u>2,424,832</u>	<u>2,570,303</u>
Plant and equipment - at cost	1,061,154	1,149,216
Less: Accumulated depreciation	<u>(812,817)</u>	<u>(939,983)</u>
	<u>248,337</u>	<u>209,233</u>
Poker Machines - at cost	658,989	661,999
Less: Accumulated depreciation	<u>(424,428)</u>	<u>(451,055)</u>
	<u>234,561</u>	<u>210,944</u>
	<u>2,907,730</u>	<u>2,990,480</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and Buildings	Plant and Equipment	Poker Machines	Total
	\$	\$	\$	\$
Balance at 1 July 2021	2,649,500	255,691	71,070	2,976,261
Additions	-	6,594	166,818	173,412
Disposals	-	(182)	(12,240)	(12,422)
Depreciation expense	<u>(79,197)</u>	<u>(52,870)</u>	<u>(14,704)</u>	<u>(146,771)</u>
Balance at 30 June 2022	2,570,303	209,233	210,944	2,990,480
Additions	-	112,341	61,344	173,685
Write off of assets	(30,309)	(3,860)	(105)	(34,274)
Depreciation expense	<u>(115,162)</u>	<u>(69,377)</u>	<u>(37,622)</u>	<u>(222,161)</u>
Balance at 30 June 2023	<u>2,424,832</u>	<u>248,337</u>	<u>234,561</u>	<u>2,907,730</u>

Note 10. Current liabilities - trade and other payables

	2023	2022
	\$	\$
Trade payables	84,997	97,225
Accrued Expenses	<u>36,070</u>	<u>31,336</u>
	<u>121,067</u>	<u>128,561</u>

Tenterfield Golf Club Limited
Notes to the financial statements
30 June 2023

Note 10. Current liabilities - trade and other payables (continued)

Refer to note 18 for further information on financial instruments.

Note 11. Current liabilities - borrowings

	2023 \$	2022 \$
Equipment Loan	129,706	66,593

Refer to note 18 for further information on financial instruments.

Note 12. Current liabilities - provisions

	2023 \$	2022 \$
Employee benefits	137,280	111,963

Note 13. Current liabilities - other

	2023 \$	2022 \$
Other payables	52	-
Revenue received in advance - Membership Fees	49,539	48,496
	49,591	48,496

Note 14. Non-current liabilities - borrowings

	2023 \$	2022 \$
Equipment Loan	81,184	159,770

Refer to note 18 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2023 \$	2022 \$
Equipment Loan	210,890	226,363

Assets pledged as security

The bank overdraft and loans are secured by first mortgages over the company's land and buildings.

Note 15. Non-current liabilities - provisions

	2023 \$	2022 \$
Employee benefits	10,844	8,467

Tenterfield Golf Club Limited
Notes to the financial statements
30 June 2023

Note 16. Equity - reserves

	2023 \$	2022 \$
Revaluation surplus reserve	<u>1,384,463</u>	<u>1,384,463</u>

Note 17. Equity - retained profits

	2023 \$	2022 \$
Retained Profits at the beginning of the financial year	1,213,042	1,220,548
Loss for the year	<u>(16,926)</u>	<u>(7,506)</u>
Retained Profits at the end of the financial year	<u>1,196,116</u>	<u>1,213,042</u>

Note 18. Financial instruments

Financial risk management objectives

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

Risk management is carried out by the Board of Directors. Their policies include identification and analysis of the risk exposure of the company and appropriate procedures, controls and risk limits.

Interest rate risk

The company's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the company to interest rate risk.

For the company the bank and other loans outstanding, totalling \$213,103 at 30 June 2023, are principal and interest payment loans. Monthly cash outlays of approximately \$11,809 are required to service the loans.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Tenterfield Golf Club Limited
Notes to the financial statements
30 June 2023

Note 18. Financial instruments (continued)

Financing arrangements

Unused borrowing facilities at the reporting date:

	2023 \$	2022 \$
Bank overdraft (limit at 30 June 2023 - \$50,000)	50,000	36,822
Bank loans (limit at 30 June 2023 - \$315,500)	315,500	322,000
	<u>365,500</u>	<u>358,822</u>

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

Offsetting financial assets and financial liabilities

Financial Assets

	2023 \$	2022 \$
Cash and cash equivalents	95,734	40,771
Receivables	3,590	9,877
Prepayments and Security Bonds	59,719	49,972
	<u>159,043</u>	<u>100,620</u>

Financial Liabilities

	2023 \$	2022 \$
Trade and Other Payables	121,067	128,561
Borrowings	213,103	239,541
	<u>334,170</u>	<u>368,102</u>

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 19. Contingent liabilities

The company had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 20. Commitments

The company had the following commitments for expenditure at 30 June 2023 and 30 June 2022.

	2023 \$	2022 \$
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
20 Golf New Carts (inclusive of GST)	235,400	-
Toro Greenmaster Mower (inclusive of GST)	<u>77,491</u>	<u>-</u>

Tenterfield Golf Club Limited
Notes to the financial statements
30 June 2023

Note 21. Related party transactions

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

	2023 \$	2022 \$
Michael Manser - WHS Advice	-	600
Bush Diamonds - Golf Accessories (Letitia Jones)	7,969	5,236
Tenterfield Mini Earthworx - Course Maintenance (Mark O'Neill)	-	1,001
Tenterfield Hardware & Garden Centre - Building Maintenance (Dean Hines)	4,664	994

Note 22. Events after the reporting period

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 23. Reconciliation of loss to net cash from operating activities

	2023 \$	2022 \$
Loss for the year	(16,926)	(7,506)
Adjustments for:		
Depreciation and amortisation	222,160	158,600
Write off of property, plant and equipment	34,274	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	6,287	(2,923)
Increase in inventories	(50)	(1,618)
Increase in prepayments	(9,747)	(2,031)
Increase/(decrease) in trade and other payables	(6,398)	26,905
Increase in employee benefits	27,694	97
Net cash from operating activities	<u>257,294</u>	<u>171,524</u>

Tenterfield Golf Club Limited
Directors' declaration
30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Donald Phelan
Director


Graham Rossington
Director

6 October 2023
288 Pelham Street, TENTERFIELD NSW 2372

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
TENTERFIELD GOLF CLUB LIMITED ABN 53 001 057 825**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tenterfield Golf Club Limited, which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Tenterfield Golf Club Limited is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards 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 Auditors 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 dated 6 October 2023 and required by the Corporations Act 2001, has been given to the directors of the company.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2023, 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.

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

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under Professional Standards Legislation*

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
TENTERFIELD GOLF CLUB LIMITED ABN 53 001 057 825 (CONTINUED)**

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 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.

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

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- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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.

Westlawn Audit Services Pty Ltd


Paul Kenneth Trimble
Registered Company Auditor
Dated 6 October 2023

Directors

Paul K Trimble B Bus, CPA
Andrew H Hayes B Bus, GDipFP, CA, CTA, SSA

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