URALLA GOLF CLUB

Financial Statements

Year ending 31 December 2020

REVOLUTION ADVISORS

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Director
Mark Turner CA

Financial Statements

Uralla Golf Club
ABN 58 000 939 604
For the year ended 31 December 2020

Prepared by Revolution Advisors Pty Ltd

Contents

Directors' Report

Uralla Golf Club
For the year ended 31 December 2020

Directors' Report

Your directors present this report on Uralla Golf Club for the financial year ended 31 December 2020.

Directors

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

Name	Position	Appointed/Resigned	Qualifications	Experience
Darrell Carson	President	Appointed 8/07/2010	Bus Operator	10 years as Director
Douglas Taggart	Vice President	Appointed 9/04/2017	Technician	3 year as Director
Michael Petrov	Director	Appointed 28/08/2019 Resigned 28/06/2020	Rural Fire Service Officer	Cumulative 12 years as Director
Trevor Carson	Director	Appointed 15/04/2018 Resigned 28/06/2020	Telstra Technician	2 year as Director
Jon Izzard	Director	Appointed 3/04/2016	Bank Manager	4 years as Director
Duncan McLean	Director	Appointed 15/04/2018	Air Conditioning Technician	2 year as Director
David Ayre	Director	Appointed 28/04/2019	Carpenter	1 years and 8 months as Director
Timothy Bower	Director	Appointed 28/06/2020	Grazier	6 months as Director
Warren Sellings	Director	Appointed 28/06/2020	Building Certifier	6 months as Director

Company Secretary

Ms Amy Barraclough held the position of company secretary at the end of the financial year

Directors' Meetings

During the financial year, 12 meetings were held. Attendances by each director were as follows:

Name	Number Eligible to Attend	Number Attended
Darrell Carson	11	11
Michael Petrov	5	5
Trevor Carson	5	3
Jon Izzard	11	11
Duncan McLean	11	9
Douglas Taggart	11	9
David Ayre	11	11
Timothy Bower	6	5
Warren Sellings	6	5

Principal Activities

The principal activities of Uralla Golf Club Limited during the financial year were to provide facilities associated with the game of golf as well as social facilities for the Club’s members and guests.

No significant change in the nature of these activities occurred during the year.

Short Term Objectives

The short term objectives of the Uralla Golf Club Limited are to:

- Continually take steps to ensure as best as possible the long term financial viability of the Club; and
- Continue to maintain a golf course and facilities for the enjoyment of members and visitors.

Long Term Objectives

The long term objectives of the Uralla Golf Club Limited are to:

- Continually take steps to ensure as best as possible the long term financial viability of the Club;
- Continue to develop and maintain the golf course and licensed premises so that it ensures the long term viability of the entity; and
- Develop an operational model the future boards can reference and utilize.

Strategies

The Board has adopted the following strategies and will continue monitor and review these in relation to it's short and long term objectives.

To achieve these objectives the strategies are:

- The Board continue to meet on a monthly basis to monitor and review the operations of the club including detailed financial reports. The Board is assisted by directors individual areas of responsibility which they report monthly to the Board;
- That trade payables and other accounts payable are recognised when the Club becomes obliged to make future payments from the purchase of goods and services;
- To pursue a minimum bar trading performance of 50% return. This will allow us to adopt as a general principle with careful monitoring a 50:30:20 split (i.e 50% costs, 30% wages/overheads and 20% profit).A more specific aim is for 56-58% bar profit and with the use of volunteers 17-20% wages outcome;
- To enable this to occur the Clubhouse operates on an “open on demand” basis (this will allow us to eliminate where practical poor performing/operating times);
- With regards to all raffles and similar activities that the prize pool be limited toa maximum 90% (net) of revenue collected;
- Have a minimum short-term goal of “break-even” in relation to the annual Profit or Loss after depreciation with a view to increasing profitability to accumulate sufficient reserves to maintain long term financial viability;
- Continue to investigate and pursue measures to increase membership and player participation levels with a view to increasing the available revenue of the club;
- Reviewing staff arrangements, including bookkeeping services and greens staff to utilise contractors, casual staff and volunteers on an “as needs” basis;
- To review major income and expenditure items to maximise financial advantage for the club;
- Securing of long term finance; and
- Investigate other potential developments within the Club’s asset base the may allow it develop long term sustainability.

Performance measures

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

- A budget is prepared based on previous years results after taking into account any considerations where variance may occur from either external sources or board decisions. At monthly board meetings a comparison is made of financial performance for the previous month compared to budget and trade position from the previous year on all expenditure and income accounts;
- Bar percentages are checked to ensure the company is operating at > 50% return on bar sales;
- Golf participation rates are checked and compared to previous years and;
- Membership numbers are monitored.

Members' Guarantee

The company is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $2 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the number of members was 306 (2019: 329)

Auditor’s Independence Declaration

The lead auditor’s independence declaration for the year ended 31 December 2020 has been received and can be found on page 7 of the financial report.

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

____

Darrell Carson (President)

Date / /

____

Douglas Taggart (Vice President)

Date / /

URALLA GOLF CLUB
ABN 58 000 939 604

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO DIRECTORS OF
URALLA GOLF CLUB

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020 there have been:

a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

b. no contraventions of any applicable code of professional conduct in relation to the review.

Boutique Audit Solutions Pty Ltd
Authorised Audit Company No 494151

Andrea Blank BBus CPA RCA
Director

Dated this 23rd day of March 2021

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Statement of Profit or Loss

Uralla Golf Club

For the year ended 31 December 2020

	NOTES	2020	2019
Income			
Sales			
Membership Income	2	33,964	41,111
Clubhouse Income	2	88,674	153,530
Course Income	2	81,701	87,185
Rental Income	2	17,955	10,165
Other Income	2	359,764	32,656
Total Sales		**582,057**	**324,646**
Total Income		**582,057**	**324,646**
Cost of Goods Sold			
Opening stock		11,170	11,372
Purchases		38,590	66,132
Closing stock	5	(9,874)	(11,170)
Total Cost of Goods Sold		**39,886**	**66,333**
Total Income		**542,171**	**258,313**
Expenses			
Accountant Fees		2,350	2,910
Advertising & Promotion		91	682
Affiliation Fees		5,153	4,795
Annual Leave Adjustment		5,547	(1,020)
Audit Fees		2,517	2,517
Bad Debt Write Off		-	546
Bank & Merchant Charges		1,436	1,265
Bore Water Establishment		254	16,924
Borrowing Costs		110	110
Cleaning		2,405	3,026
Depreciation	7	38,676	41,343
Electricity		15,245	15,284
Flat Rental Expenses		815	387
Freight & Cartage		1,050	1,040
Fuel & Oil		6,239	4,123
Gas		1,160	3,292
Greens Keeper Contractor		-	50,983
Insurance		13,112	12,072
Interest Charges		4,455	5,193
Loss on Sale of Fixed Asset		1,531	-
Minor Equipment Purchases		9,011	1,034
Permits, Licenses & Fees		4,067	4,897
Poker Machine License Fee & Monitoring		924	2,976

The accompanying notes form part of these financial statements.

	NOTES	2020	2019
Postage		197	324
Office Stationary & Printing		653	2,183
Prizes, Trophies & Members Gifts		7,803	11,030
Rates, Water & Sewerage		3,794	5,723
Repairs & Maintenance		15,283	9,940
Security Costs		888	878
Socials & Entertainment		144	3,290
Sponsorships		900	2,873
Subscriptions		4,530	4,570
Telephone		1,838	1,970
Waste Removal		394	586
Wages & Superannuation		121,915	79,241
Total Expenses		**274,487**	**296,985**
Profit/(Loss)		**267,684**	**(38,672)**

The accompanying notes form part of these financial statements.

Statement of Comprehensive Income

Uralla Golf Club

For the year ended 31 December 2020

	2020	2019
Comprehensive income for the period		
Profit/(Loss) for the period	267,684	(38,672)
Other Comprehensive income		
Land Revaluation	-	-
Total Other Comprehensive income	**-**	**-**
Total Comprehensive income for the period	**267,684**	**(38,672)**

The accompanying notes form part of these financial statements.

Statement of Financial Position

Uralla Golf Club
As at 31 December 2020

	NOTES	31 DEC 2020	31 DEC 2019
Assets			
Current Assets			
Cash and Cash Equivalents	3	153,130	20,047
Inventories	5	9,874	11,170
Total Current Assets		**163,005**	**31,217**
Non-Current Assets			
Investment in Shares		10	10
Intangibles	6	32	142
Plant and Equipment and Vehicles	7	74,363	66,870
Land and Buildings	7	1,192,295	1,040,340
Total Non-Current Assets		**1,266,699**	**1,107,362**
Total Assets		**1,429,704**	**1,138,579**
Liabilities			
Current Liabilities			
Trade and Other Payables	8	15,993	8,502
Annual Leave Provisions		10,765	5,218
Hire Purchase Agreement		1,899	5,697
Unexpired Interest		(19)	(230)
Bank Loan	11	14,101	7,229
Total Current Liabilities		**42,739**	**26,416**
Non-Current Liabilities			
Bank Loan	11	53,230	44,232
Hire Purchase Agreements		-	1,899
Unexpired Interest		-	(19)
Total Non-Current Liabilities		**53,230**	**46,112**
Total Liabilities		**95,970**	**72,528**
Net Assets		**1,333,735**	**1,066,051**
Equity			
Current Year Earnings		267,684	(38,672)
Retained Surplus		405,397	444,069
Revaluation Reserves		660,654	660,654
Total Equity		**1,333,735**	**1,066,051**

The accompanying notes form part of these financial statements.

Statement of Change in Equity

Uralla Golf Club

For the year ended 31 December 2020

	2020	2019
Equity		
Opening Balance	1,066,051	1,104,723
Increases		
Profit for the Period	267,684	-
Revaluation Reverse	-	-
Total Increases	**267,684**	**-**
Decreases		
Loss for the Period	-	(38,672)
Total Decreases	**-**	**(38,672)**
Total Equity	**1,333,735**	**1,066,051**

Statement of Cash Flow

Uralla Golf Club

For the year ended 31 December 2020

	NOTES	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	9	261,831	354,362
Payments to suppliers and employees	9	(252,862)	(336,609)
Interest received	9	-	-
Finance costs	9	(3,181)	(3,804)
Receipts from Government Grants	9	253,354	-
Government Rebates Received (Cash Flow Boost & JobKeeper)	9	66,872	-
Net cash provided by operating activities		**326,014**	**13,949**

	NOTES	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(201,018)	(3,114)
Proceeds from sales of fixed assets		1,364	-
Net cash used by investing activities		**(199,654)**	**(3,114)**

	NOTES	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Proceeds/(Repayment) of borrowings		6,724	(16,794)
Net cash used by financing activities		**6,724**	**(16,794)**

	NOTES	2020	2019
CASH BALANCES			
Net increase (decrease) in cash and cash equivalents held		133,084	(5,959)
Cash and cash equivalents at beginning of year		20,047	26,006
Cash and cash equivalents at end of financial year		**153,130**	**20,047**

Notes to the Financial Statements

Uralla Golf Club
For the year ended 31 December 2020

1. Summary of Significant Accounting Policies

Financial Reporting Framework

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

a. Revenue and Other Income

Sales revenue comprises revenue earned from the provision of food, beverages and gaming facilities together with golf facility fees such as green and competition fees and members subscriptions. Sales revenue is recognised upon the delivery of goods and services to customers.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established .

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

b. Inventories

Inventories are measured at the lower of cost or current replacement cost.

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

c. Property, Plant & Equipment

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

Property

Freehold land is shown at fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations by directors using NSW Value General's Valuation figures.

Buildings are shown at cost less subsequent depreciation.

These notes should be read in conjunction with the attached compilation report.

Increases in the carrying amount arising on revaluation of land is credited to a revaluation surplus inequity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity. All other decreases are charged to the statement of profit or loss and other comprehensive income.

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.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, is depreciated on a diminishing value basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	
Buildings	2 - 20%
Plant and Equipment	2.5 - 50%
Low Value Pool	37.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) that are transferredt o entities in the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a diminishing basis over the shorter of their estimated useful lives or the lease term.

e. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Entity commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value.In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or
- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assessed whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument increased significantly since initial recognition, the entity measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the entity measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the entity measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment was recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (eg default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

f. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

g. Employee Provisions

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of accounts payable and other payables in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

h. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

i. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

j. Goods and Services Tax (GST)

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

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 ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

k. Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997.*

l. Intangible Assets

The company owns seven poker machine entitlements for the poker machines operated by the Club. These entitlements can be sold should the company decide to reduce or cease its poker machine activities. The company has not recorded the poker machine entitlements in the financial statements as there was no fair value on acquisition of these entitlements and the value of the entitlements fluctuates significantly.

m. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

n. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

o. Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within 30 days of recognition of the liability.

p. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The preparation of the financial statements in conformity with Australian Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

Because the precise determination of many assets and liabilities is dependent upon future events,the preparation of financial statements for a period necessarily involves the use of estimates and approximations which have been made using careful judgment. These estimates are based on management's best knowledge of current events and actions that the company may undertake in the future.

Key estimates

(i) *Impairment*

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

(ii) *Inventories*

Donated inventories of Bar & Golf Shop stock are carried at $9,874.26 at the end of the reporting period and are recognised at replacement cost

(iii) *Land*

The freehold land was valued at 31 December 2020 using the NSW Valuer General's 01/07/2020 valuation. Due to the nature of the land and its use as a golf course, directors believe the Valuer General's unimpaired land value is materially suitable as a basis of revaluation.

(iii) *Plant and Equipment*

As indicated in Note 1(c), the company reviews the useful life of plant and equipment on annual basis.

	2020	2019

2. Revenue and Other Income

	2020	2019
Membership Income		
Membership Subscriptions	33,964	41,111
Total Membership Income	**33,964**	**41,111**
Clubhouse Income		
Bar Sales	80,792	132,693
Golf Shop Sales	2,326	3,661
Hire of Venue/Ticket Sales	-	3,027
Gaming Sales	5,373	8,767
Food Sales	182	5,382
Total Clubhouse Income	**88,674**	**153,530**
Course Income		
Competition Green Fees	50,187	52,728
Social Green Fees	21,488	22,086
Twilight Social Fees	10,026	12,370
Total Course Income	**81,701**	**87,185**
Rental Income		
Flat Rent	9,880	2,485
Land Rent	-	1,050
Cart Shed Rent	8,075	6,629
Total Rental Income	**17,955**	**10,165**
Other Income		
Donations	31,452	17,938
Sponsorship Received	3,591	6,955
Fuel Tax Credits	1,966	1,379
Government Grants	253,354	2,700
Government Rebate - Cash Flow Boost	27,872	-
Government Rebate - JobKeeper	39,000	-
Adjustments (over/under bank)	(340)	(464)
Other Income	2,869	4,148
Total Other Income	**359,764**	**32,656**
Total Revenue and Other Income	**582,057**	**324,646**

These notes should be read in conjunction with the attached compilation report.

	2020	2019

3. Cash and cash Equivalents

	2020	2019
Cash at Bank		
Main Account	140,122	9,431
Eftpos Account	1,100	422
Debit Card	1,407	281
Fundraiser Account - C Frazier	1,369	1,369
Total Cash at Bank	**143,997**	**11,502**
Cash on Hand		
Cash Deposit Clearing	1,056	585
Eftpos Deposit Clearing	(100)	(200)
Cash Floats	8,177	8,160
Total Cash on Hand	**9,133**	**8,545**
Total Cash and cash Equivalents	**153,130**	**20,047**

Reconciliation of cash

	2020	2019
Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the balance sheet as follows:	-	-
Cash and cash equivalents	153,130	20,247
Total Reconciliation of cash	**153,130**	**20,247**

4. Trade and other receivables

	2020	2019

5. Inventories

	2020	2019
Bar Stock	8,287	9,987
Golf Shop Stock	1,587	1,184
Total Inventories	**9,874**	**11,170**

6. Intangible

	2020	2019
Borrowing Costs	32	142
Total Intangible	**32**	**142**

These notes should be read in conjunction with the attached compilation report.

	2020	2019

7. Property, Plant & Equipment

	2020	2019
LAND AND BUILDINGS		
Freehold Land		
Freehold Land at Directors Valuation	556,000	556,000
Total Freehold Land	**556,000**	**556,000**
Buildings		
Buildings at cost	625,452	625,452
Accumulated Depreciation	(252,119)	(244,112)
Total Buildings	**373,333**	**381,340**
Property Improvements		
Property Improvements at cost	378,189	205,893
Accumulated Depreciation	(115,227)	(102,893)
Total Property Improvements	**262,962**	**103,000**
Total LAND AND BUILDINGS	**1,192,295**	**1,040,340**
PLANT & EQUIPMENT		
Plant & Equipment		
Plant & Equipment	293,079	296,860
Accumulated Depreciation	(219,386)	(231,062)
Total Plant & Equipment	**73,693**	**65,799**
Low Value Asset Pool		
Low Value Pool at cost	5,500	5,500
Accumulated Depreciation	(4,831)	(4,429)
Total Low Value Asset Pool	**669**	**1,071**
Total PLANT & EQUIPMENT	**74,363**	**66,870**
Total Property, Plant & Equipment	**1,266,657**	**1,107,210**

These notes should be read in conjunction with the attached compilation report.

Property, Plant & Equipment Movements in Carrying Amount

	2020	2019
Land		
Balance at the beginning of reporting period	556,000	556,000
Revaluation Increase recognised in Equity		
Carrying amount at the end of the reporting period	**556,000**	**556,000**
Buildings		
Balance at beginning of the reporting period	381,340	389,532
Additions		
Disposals - at written down value		
Depreciation Expense	(8,008)	(8,191)
Carrying amount at the end of the reporting period	**373,332**	**381,340**
Property Improvements		
Balance at beginning of the reporting period	103,000	114,997
Additions	172,296	
Disposals - at written down value		
Depreciation Expense	(12,334)	(11,997)
Carrying amount at the end of the reporting period	**262,962**	**103,000**
Plant & Equipment		
Balance at the beginning of reporting period	65,800	83,198
Additions	28,722	3,114
Disposals - at written down value	(2,895)	
Depreciation Expense	(17,933)	(20,512)
Carrying amount at the end of the reporting period	**73,693**	**65,800**
Low Value Asset		
Balance at the beginning of reporting period	1,071	1,714
Additions		
Disposals - at written down value		
Depreciation Expense	(402)	(643)
Carrying amount at the end of the reporting period	**669**	**1,071**
Totals	**1,266,657**	**1,107,210**

These notes should be read in conjunction with the attached compilation report.

	2020	2019

8. Trade and Other Payables

	2020	2019
Accounts Payable	8,099	3,399
GST	2,577	346
PAYG Withholding	3,447	2,417
Superannuation Payable	1,010	673
Wages Payable	-	847
Key Deposit Holding Account	860	820
Total Trade and Other Payables	**15,993**	**8,502**

9. Cash Flow Information

Reconciliation of Cash Flow from Operations with Profit

	2020 $	2019 $
Net Profit/Loss from the period	267,684	(38,672)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	38,676	41,343
Net (gain)/loss on disposal of property, plant & equipment	1,531	
Hire Purchase Charges	230	482
Adjustments (over/under bank)	(886)	489
Insurance Interest	1,045	907
Borrowing Costs	110	110
Bank Interest	3,181	(3,804)
Changes in Assets & Liability		
(Increase)/decrease in Accounts Receivable		1,301
(Increase)/decrease in prepayments		
(Increase)/decrease in Inventory	1,296	201
(Increase)/decrease in Intangible	110	110
Increase/(decrease) in Accounts Payable & other payable	7,491	6,274
Increase/(decrease) in Accruals	5,547	(1,020)
	326,015	**7,721**

	2020	2019

10. Auditors remuneration

Audit Fees	2,517	2,517
Total Auditors remuneration	**2,517**	**2,517**

11. Borrowings

The bank loans are secured by a first registered mortgage over the freehold land and buildings of Uralla Golf Club Limited.

12. Asset Revaluation Reserve

The asset revaluation surplus records revaluations of non-current assets.

13. Company Details

The registered office of the company is

C/- Revolution Advisors

Shop 3-9 Moon Street

Ballina NSW 2478

The Principal place of business is:

Uralla Golf Club

33 Plane Avenue

Uralla NSW 2358

Directors' Declaration

Uralla Golf Club
For the year ended 31 December 2020

In accordance with a resolution of the directors of Uralla Golf Club, the directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 28, are in accordance with the Corporations Act 2001 and:

a. Comply with Australian Accounting Standards; and

b. give a true and fair view of the company's financials position as at 31 December 2020 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

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.

Signed:

Darrell Carson

Dated: / /

Signed:

Douglas Taggart

Dated: / /

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF URALLA GOLF CLUB

Report on the Financial Report

Conclusion

We have reviewed the accompanying financial report of Uralla Golf Club, which comprises the Statement of Financial Position as at 31 December 2020, and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year ended on that date, a summary of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Uralla Golf Club does not present a true and fair view, in all material respects, the financial position of the company as at 31 December 2020, and of its financial performance and its cash flows for the year ended on that date, in accordance with Note 1 to the financial statements and the Corporations Act 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review 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 (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of the committee. As a result, the financial report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Note 1 to the financial statements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report does not present a true and fair view, in all material respects, in accordance with Note 1 to the financial statements and the Corporations Act 2001.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF URALLA GOLF CLUB

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Boutique Audit Solutions Pty Ltd

Authorised Audit Company No 494151

Andrea Blank BBus CPA RCA

Director

Dated this 23rd day of March 2021

Upper Coomera, Qld 4209