

# Financial Statements

Uralla Golf Club  
For the year ended 31 December 2021

Prepared by Revolution Advisors Pty Ltd

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# Directors' Report

## Uralla Golf Club

### For the year ended 31 December 2021

#### Directors' Report

Your directors present this report on Uralla Golf Club for the financial year ended 31 December 2021.

#### 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	11 years as Director
Douglas Taggart	Vice President	Appointed 9/04/2017	Technician	4 year as Director
Carol Shields	Director	Appointed 18/04/2021	Administration	7 months as Director
Jon Izzard	Director	Appointed 3/04/2016	Bank Manager	5 years as Director
Duncan McLean	Director	Appointed 15/04/2018	Air Conditioning Technician	3 year as Director
David Ayre	Director	Appointed 28/04/2019	Carpenter	2 years and 8 months as Director
Timothy Bower	Director	Appointed 28/06/2020	Grazier	1 years and 6 months as Director
Warren Sellings	Director	Appointed 28/06/2020	Building Certifier	1 years and 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:

<b>Name</b>	<b>Number Eligible to Attend</b>	<b>Number Attended</b>
Darrell Carson	10	9
Carol Shields	7	7
Jon Izzard	10	9
Duncan McLean	10	10
Douglas Taggart	3	1
David Ayre	10	10
Timothy Bower	10	9
Warren Sellings	10	9

## 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 to a 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 that 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 2021, the number of members was 297 (2020: 306)

**Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 31 December 2021 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 2021 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**

Date:

Upper Coomera, Qld 4209

# Statement of Profit or Loss

## Uralla Golf Club

For the year ended 31 December 2021

	NOTES	2021	2020
<b>Income</b>			
<b>Sales</b>			
Membership Income	2	43,202	33,964
Clubhouse Income	2	126,586	88,674
Course Income	2	81,348	81,701
Rental Income	2	17,695	17,955
Other Income	2	99,577	359,764
<b>Total Sales</b>		<b>368,408</b>	<b>582,057</b>
<b>Total Income</b>		<b>368,408</b>	<b>582,057</b>
<b>Cost of Goods Sold</b>			
Opening stock		9,874	11,170
Purchases		59,979	38,590
Closing stock	5	(11,832)	(9,874)
<b>Total Cost of Goods Sold</b>		<b>58,021</b>	<b>39,886</b>
<b>Total Income</b>		<b>310,388</b>	<b>542,171</b>
<b>Expenses</b>			
Accountant Fees		3,080	2,350
Advertising & Promotion		368	91
Affiliation Fees		4,755	5,153
Annual Leave Adjustment		6,357	5,547
Audit Fees		2,517	2,517
Bank & Merchant Charges		2,709	1,436
Bore Water Establishment		-	254
Borrowing Costs		32	110
Cleaning		1,621	2,405
Depreciation	7	55,555	38,676
Electricity & Solar		13,752	15,245
Flat Rental Expenses		1,105	815
Freight & Cartage		2,642	1,050
Fuel & Oil		5,996	6,239
Gas		(377)	1,160
Insurance		14,347	13,112
Interest Charges		4,921	4,455
Loss on Sale of Fixed Asset		-	1,531
Minor Equipment Purchases		6,550	9,011
Permits, Licenses & Fees		3,346	4,067
Poker Machine License Fee & Monitoring		3,461	924
Postage		371	197
Office Stationary & Printing		2,799	653

The accompanying notes form part of these financial statements.



	NOTES	2021	2020
Prizes, Trophies & Members Gifts		7,610	7,803
Rates, Water & Sewerage		5,178	3,794
Repairs & Maintenance		21,892	15,283
Security Costs		1,028	888
Socials & Entertainment		411	144
Sponsorships		3,182	900
Subscriptions		4,243	4,530
Telephone		2,866	1,838
Waste Removal		306	394
Wages & Superannuation		132,549	121,915
Stock Wastage		25	-
<b>Total Expenses</b>		<b>315,199</b>	<b>274,487</b>
<b>Profit/(Loss)</b>		<b>(4,811)</b>	<b>267,684</b>

The accompanying notes form part of these financial statements.

# Statement of Comprehensive Income

## Uralla Golf Club

For the year ended 31 December 2021

	2021	2020
<b>Comprehensive income for the period</b>		
Profit/(Loss) for the period	(4,811)	267,684
<b>Other Comprehensive income</b>		
Land Revaluation	-	-
<b>Total Other Comprehensive income</b>	-	-
<b>Total Comprehensive income for the period</b>	<b>(4,811)</b>	<b>267,684</b>

The accompanying notes form part of these financial statements.

# Statement of Financial Position

## Uralla Golf Club

As at 31 December 2021

	NOTES	31 DEC 2021	31 DEC 2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3	46,215	153,130
Trade and Other Receivables	4	200	-
Inventories	5	11,832	9,874
<b>Total Current Assets</b>		<b>58,247</b>	<b>163,005</b>
<b>Non-Current Assets</b>			
Investment in Shares		10	10
Intangibles	6	-	32
Plant and Equipment and Vehicles	7	106,860	74,363
Land and Buildings	7	1,256,796	1,192,295
<b>Total Non-Current Assets</b>		<b>1,363,666</b>	<b>1,266,699</b>
<b>Total Assets</b>		<b>1,421,913</b>	<b>1,429,704</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	8	18,877	15,993
Annual Leave Provisions		17,122	10,765
Hire Purchase Agreement		-	1,899
Unexpired Interest		-	(19)
Bank Loan	11	14,101	14,101
<b>Total Current Liabilities</b>		<b>50,099</b>	<b>42,739</b>
<b>Other Current Liabilities</b>			
Rounding		-	-
<b>Total Other Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Non-Current Liabilities</b>			
Bank Loan	11	42,891	53,230
<b>Total Non-Current Liabilities</b>		<b>42,891</b>	<b>53,230</b>
<b>Total Liabilities</b>		<b>92,990</b>	<b>95,970</b>
<b>Net Assets</b>		<b>1,328,923</b>	<b>1,333,735</b>
<b>Equity</b>			
Current Year Earnings		(4,811)	267,684
Retained Surplus		673,081	405,397
Revaluation Reserves		660,654	660,654
<b>Total Equity</b>		<b>1,328,923</b>	<b>1,333,735</b>

The accompanying notes form part of these financial statements.

# Statement of Change in Equity

## Uralla Golf Club

For the year ended 31 December 2021

	2021	2020
<b>Equity</b>		
Opening Balance	1,333,735	1,066,051
<b>Increases</b>		
Profit for the Period	-	267,684
Revaluation Reverse	-	-
<b>Total Increases</b>	<b>-</b>	<b>267,684</b>
<b>Decreases</b>		
Loss for the Period	(4,811)	-
<b>Total Decreases</b>	<b>(4,811)</b>	<b>-</b>
<b>Total Equity</b>	<b>1,328,924</b>	<b>1,333,735</b>

# Statement of Cash Flow

## Uralla Golf Club

For the year ended 31 December 2021

	NOTES	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	9	315,612	261,831
Payments to suppliers and employees	9	(303,157)	(252,862)
Interest received	9	-	-
Finance costs	9	(3,762)	(3,181)
Receipts from Government Grants	9	52,716	253,354
Government Rebates Received (Cash Flow Boost & JobKeeper)	9	80	66,872
<b>Net cash provided by operating activities</b>		<b>61,489</b>	<b>326,014</b>
	NOTES	2021	2020
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(152,554)	(201,018)
Proceeds from sales of fixed assets		-	1,364
<b>Net cash used by investing activities</b>		<b>(152,554)</b>	<b>(199,654)</b>
	NOTES	2021	2020
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net Proceeds/(Repayment) of borrowings		(15,851)	6,724
<b>Net cash used by financing activities</b>		<b>(15,851)</b>	<b>6,724</b>
	NOTES	2021	2020
<b>CASH BALANCES</b>			
Net increase (decrease) in cash and cash equivalents held		(106,916)	133,084
Cash and cash equivalents at beginning of year		153,131	20,047
<b>Cash and cash equivalents at end of financial year</b>		<b>46,215</b>	<b>153,131</b>

# Notes to the Financial Statements

## Uralla Golf Club

### For the year ended 31 December 2021

#### 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.

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 transferred to 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.

2021                      2020

## 2. Revenue and Other Income

### Membership Income

Membership Subscriptions	43,202	33,964
<b>Total Membership Income</b>	<b>43,202</b>	<b>33,964</b>

### Clubhouse Income

Bar Sales	112,921	80,792
Golf Shop Sales	5,369	2,326
Gaming Sales	7,590	5,373
Food Sales	706	182
<b>Total Clubhouse Income</b>	<b>126,586</b>	<b>88,674</b>

### Course Income

Competition Green Fees	46,776	50,187
Social Green Fees	24,670	21,488
Twilight Social Fees	9,902	10,026
<b>Total Course Income</b>	<b>81,348</b>	<b>81,701</b>

### Rental Income

Flat Rent	9,374	9,880
Cart Shed Rent	8,321	8,075
<b>Total Rental Income</b>	<b>17,695</b>	<b>17,955</b>

### Other Income

Donations	36,140	31,452
Sponsorship Received	3,545	3,591
Fuel Tax Credits	1,860	1,966
Government Grants	52,716	253,354
Government Rebate - Cash Flow Boost	80	27,872
Government Rebate - JobKeeper	-	39,000
Telephone Usage	1	-
Adjustments (over/under bank)	1,322	(340)
Other Income	3,913	2,869
<b>Total Other Income</b>	<b>99,577</b>	<b>359,764</b>

<b>Total Revenue and Other Income</b>	<b>368,408</b>	<b>582,057</b>
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	2021	2020
<b>3. Cash and cash Equivalents</b>		
<b>Cash at Bank</b>		
Main Account	36,751	140,122
Eftpos Account	(1,674)	1,100
Debit Card	791	1,407
Fundraiser Account - C Frazier	1,369	1,369
<b>Total Cash at Bank</b>	<b>37,237</b>	<b>143,997</b>
<b>Cash on Hand</b>		
Cash Deposit Clearing	-	1,056
Eftpos Deposit Clearing	1,824	(100)
Cash Floats	7,154	8,177
<b>Total Cash on Hand</b>	<b>8,978</b>	<b>9,133</b>
<b>Total Cash and cash Equivalents</b>	<b>46,215</b>	<b>153,130</b>
	2021	2020

**Reconciliation of cash**

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	46,215	153,130
<b>Total Reconciliation of cash</b>	<b>46,215</b>	<b>153,130</b>
	2021	2020

**4. Trade and other receivables**

Accounts Receivable	200	-
<b>Total Trade and other receivables</b>	<b>200</b>	<b>-</b>
	2021	2020

**5. Inventories**

Bar Stock	10,526	8,287
Golf Shop Stock	1,306	1,587
<b>Total Inventories</b>	<b>11,832</b>	<b>9,874</b>
	2021	2020

**6. Intangible**

Borrowing Costs	-	32
<b>Total Intangible</b>	<b>-</b>	<b>32</b>



2021 2020

## 7. Property, Plant & Equipment

### LAND AND BUILDINGS

#### Freehold Land

Freehold Land at Directors Valuation	556,000	556,000
<b>Total Freehold Land</b>	<b>556,000</b>	<b>556,000</b>

#### Buildings

Buildings at cost	625,452	625,452
Accumulated Depreciation	(259,948)	(252,119)
<b>Total Buildings</b>	<b>365,504</b>	<b>373,333</b>

#### Property Improvements

Property Improvements at cost	470,813	378,189
Accumulated Depreciation	(135,522)	(115,227)
<b>Total Property Improvements</b>	<b>335,291</b>	<b>262,962</b>

<b>Total LAND AND BUILDINGS</b>	<b>1,256,796</b>	<b>1,192,295</b>
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### PLANT & EQUIPMENT

#### Plant & Equipment

Plant & Equipment	353,008	293,079
Accumulated Depreciation	(246,566)	(219,386)
<b>Total Plant &amp; Equipment</b>	<b>106,442</b>	<b>73,693</b>

#### Low Value Asset Pool

Low Value Pool at cost	5,500	5,500
Accumulated Depreciation	(5,082)	(4,831)
<b>Total Low Value Asset Pool</b>	<b>418</b>	<b>669</b>

<b>Total PLANT &amp; EQUIPMENT</b>	<b>106,860</b>	<b>74,363</b>
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<b>Total Property, Plant &amp; Equipment</b>	<b>1,363,656</b>	<b>1,266,657</b>
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**Property, Plant & Equipment Movements in Carrying Amount**

	<b>2021</b>	<b>2020</b>
<b>Land</b>		
Balance at the beginning of reporting period	556,000	556,000
Revaluation Increase recognised in Equity		
<b>Carrying amount at the end of the reporting period</b>	<b>556,000</b>	<b>556,000</b>
<b>Buildings</b>		
Balance at beginning of the reporting period	373,332	381,340
Additions		
Disposals - at written down value		
Depreciation Expense	(7,828)	(8,008)
<b>Carrying amount at the end of the reporting period</b>	<b>365,504</b>	<b>373,332</b>
<b>Property Improvements</b>		
Balance at beginning of the reporting period	262,962	103,000
Additions	92,625	172,296
Disposals - at written down value		
Depreciation Expense	(20,295)	(12,334)
<b>Carrying amount at the end of the reporting period</b>	<b>335,292</b>	<b>262,962</b>
<b>Plant &amp; Equipment</b>		
Balance at the beginning of reporting period	73,693	65,800
Additions	59,929	28,722
Disposals - at written down value		(2,895)
Depreciation Expense	(27,180)	(17,933)
<b>Carrying amount at the end of the reporting period</b>	<b>106,442</b>	<b>73,693</b>
<b>Low Value Asset</b>		
Balance at the beginning of reporting period	669	1,071
Additions		
Disposals - at written down value		
Depreciation Expense	(251)	(402)
<b>Carrying amount at the end of the reporting period</b>	<b>418</b>	<b>669</b>
<b>Totals</b>	<b>1,363,656</b>	<b>1,266,657</b>

2021 2020

**8. Trade and Other Payables**

Accounts Payable	11,440	8,099
GST	1,838	2,577
PAYG Withholding	3,217	3,447
Superannuation Payable	1,421	1,010
Key Deposit Holding Account	960	860
<b>Total Trade and Other Payables</b>	<b>18,877</b>	<b>15,993</b>

**9. Cash Flow Information**

## Reconciliation of Cash Flow from Operations with Profit

	2021 \$	2020 \$
Net Profit/Loss from the period	(4,811)	267,684
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit		
Depreciation	55,555	38,676
Net (gain)/loss on disposal of property, plant & equipment		1,531
Hire Purchase Charges	18	230
Adjustments (over/under bank)	(1,322)	(886)
Insurance Interest	1,141	1,045
Borrowing Costs	32	110
Bank Interest	3,761	3,181
Changes in Assets & Liability		
(Increase)/decrease in Accounts Receivable	(200)	
(Increase)/decrease in prepayments		
(Increase)/decrease in Inventory	(1,958)	1,296
(Increase)/decrease in Intangible	32	110
Increase/(decrease) in Accounts Payable & other payable	2,884	7,491
Increase/(decrease) in Accruals	6,357	5,547
	<b>61,489</b>	<b>326,015</b>

	2021	2020
<b>10. Auditors remuneration</b>		
Audit Fees	2,517	2,517
<b>Total Auditors remuneration</b>	<b>2,517</b>	<b>2,517</b>

### 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 2021

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 2021 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.

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

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 2021, 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 2021, 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.



## 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**

Date:

Upper Coomera, Qld 4209