



# **FINANCIAL REPORT**

## **FOR THE YEAR ENDED 30 APRIL 2023**

*Eden Fishermen's Recreation Club Limited*  
*ABN 43 000 071 125*  
*A Company Limited by Guarantee*



**EDEN FISHERMEN'S RECREATION CLUB LIMITED – ABN 43 000 071 125  
T/A EDEN SPORTS & RECREATION CLUB**

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## CHAIRMAN'S REPORT

Dear Members

AS the CEO mentions in his annual report, the past year presented many challenges for the Club as we consolidated our first year into the new club premises and continued to progress and work through a variety of outstanding works which could not have been undertaken at the time of the club reconstruction in 2021.

These upgrades and maintenance works spanned a multitude of works from replacement hot water systems, replacement of the aged sewer lines, electrical wiring throughout the building complete replacement of the club's computer and network technologies, major upgrade of the clubs gaming machine fleet through to the completion of the new Highway sign, gaming lounge furniture just to mention a few.

Arising from these issues and some accounting transition errors which were found in the changeover process of our accounts department in 2022 to an external contract accounting provider, the club recorded a loss of - \$71,606 which was somewhat disappointing as we had projected a small surplus at the start of the year.

One of the highlights of the year was achieved earlier this year with the installation of Eden's first reverse bottle recycling units which now paves the way for the club to establish its long-awaited aspiration of creating a dedicated Youth Foundation Trust to assist fund and promote disadvantaged young sports boys and girls who show talent to progress to higher levels of representative sport.

100% of the rental income generated from the Bottle recycling plant will be committed to generating the annual grant revenue to fund the foundation which is estimated to be around \$8,000 per year plus potentially several thousands of additional funds where users elect to donate their bottle refund vouchers to the Youth Trust.

Our long-awaited joint venture project with Lincoln Place Developments finally commenced civil work in 2022 and the first stage (of 5 stages) lifestyle houses (15 units then additional 30) are now anticipated to be on site and occupied in the near future.

Once the project is fully completed, anticipated to be by middle of 2025, the club will receive significant annual rental income which will then fund future upgrades to the club and major golf and bowling green sporting facilities going forward.

Within the Boards current 2022 Strategic plan, these works include an enclosed all weather synthetic bowls arena, replacement golf machinery and maintenance shed and extended al fresco members outdoor areas.

In closing I would like once again to thank my fellow Board members and in particular CEO Andrew Terry for their committed support throughout the year. I would especially like to publicly congratulate Betty Buckland on her nomination for Life Membership after 51 years of service to the Club as member of which she has served 28 years as a Club director.



## CHAIRMAN'S REPORT (Continued)

### CLUB COMMUNITY DONATIONS - 2022 /2023 FINANCIAL YEAR

• Eden Community Access Centre	\$2,000
• Eden Men's Shed	\$6,000
• Eden Tigers RLFC	\$1,500
• Eden Whalers AFLFC	\$1,750
• Eden Killer Whales Soccer Club	\$1,500
• Eden RSL Sub Branch	\$700
• Sapphire Coast Racing Club	\$2,000
• Eden Golf Club	\$1,000
• Eden Bowling Club	\$3,000

Colin Clarke  
Chairman



## CHIEF EXECUTIVES OFFICER'S REPORT

The past year presented a number of significant challenges as the Club began to consolidate its operations into a single venue site following the past three years of extensive business disruption and transition from the Imlay Street Recreation Club site.

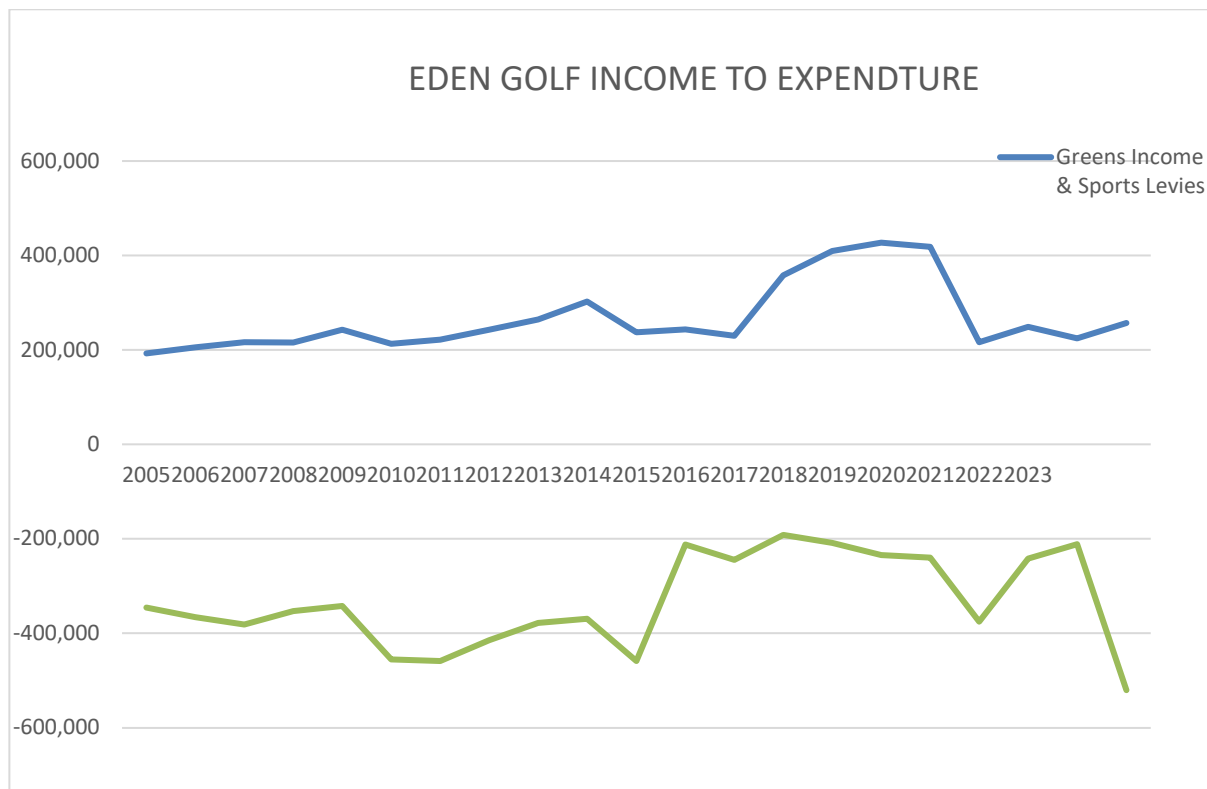
As has been the situation for much of the past two decades, the direct losses incurred in maintaining the Golf and bowling greens facilities consumed nearly the entire operating surplus generated by direct club trading activities.

For the 2022/23 year end the Greens division incurred a deficit -\$520,464. Total greens expenses were \$758,362 compared to total income only making up 31% of those costs (\$237,857).

This result was in part compounded by initial transitional costs incurred in establishing the future course maintenance arrangements required to accommodate the commencement of the residential works projects for both the 16 Lot subdivision lots and 116 Lot Seniors Village.

If we look at the graph below, we see that since 2003 total annual greens income has averaged an annual average shortfall of - \$ 318,516.

### GREENS INCOME TO ANNUAL DEFICIT





## CHIEF EXECUTIVES OFFICER'S REPORT (Continued)

This past year also saw the long overdue upgrade and replacement of the bulk of clubs aging administration systems – Accounting/ General Ledger, Golf Management, Membership, Point of Sale and Gaming software systems all being replaced with state of art cloud-based technologies.

There were also extensive ongoing repairs and maintenance issues which resulted in a major replacement and upgrade of the old country club's sewer system and electrical works required to increase power capacity to the site.

- Repairs and maintenance costs \$88,742
- Software upgrades \$287,000
- Administration one off expenses \$54,800

These upgrades have been both complex and costly however will vastly increase and improve the club's information and data capabilities to take us into the future as we move towards a cashless gaming environment.

One of the major outcomes arising from the administration upgrades undertaken in the second half of 2022 saw the Club outsource its internal accounting division in late 2022.

The transition from internal finance to a contract accounting service was to be honest presented a range of unanticipated challenges as we encountered major technical hurdles in transferring our internal server GL system to a cloud-based platform.

Arising from these transition issues, it was discovered during this process, that a number of input discrepancies were made arising from the previous and in the current financial year which had remained unresolved which then required a significant profit adjustment to the 2023 accounts as at October 30 2022.

These issues were further strained when the club experienced a major cyber theft incident in November resulting in significant efforts being made to recover the bulk of the stolen funds.

On other fronts, after four years of planning, setbacks and delays, work commenced on the new Lifestyle residential project.

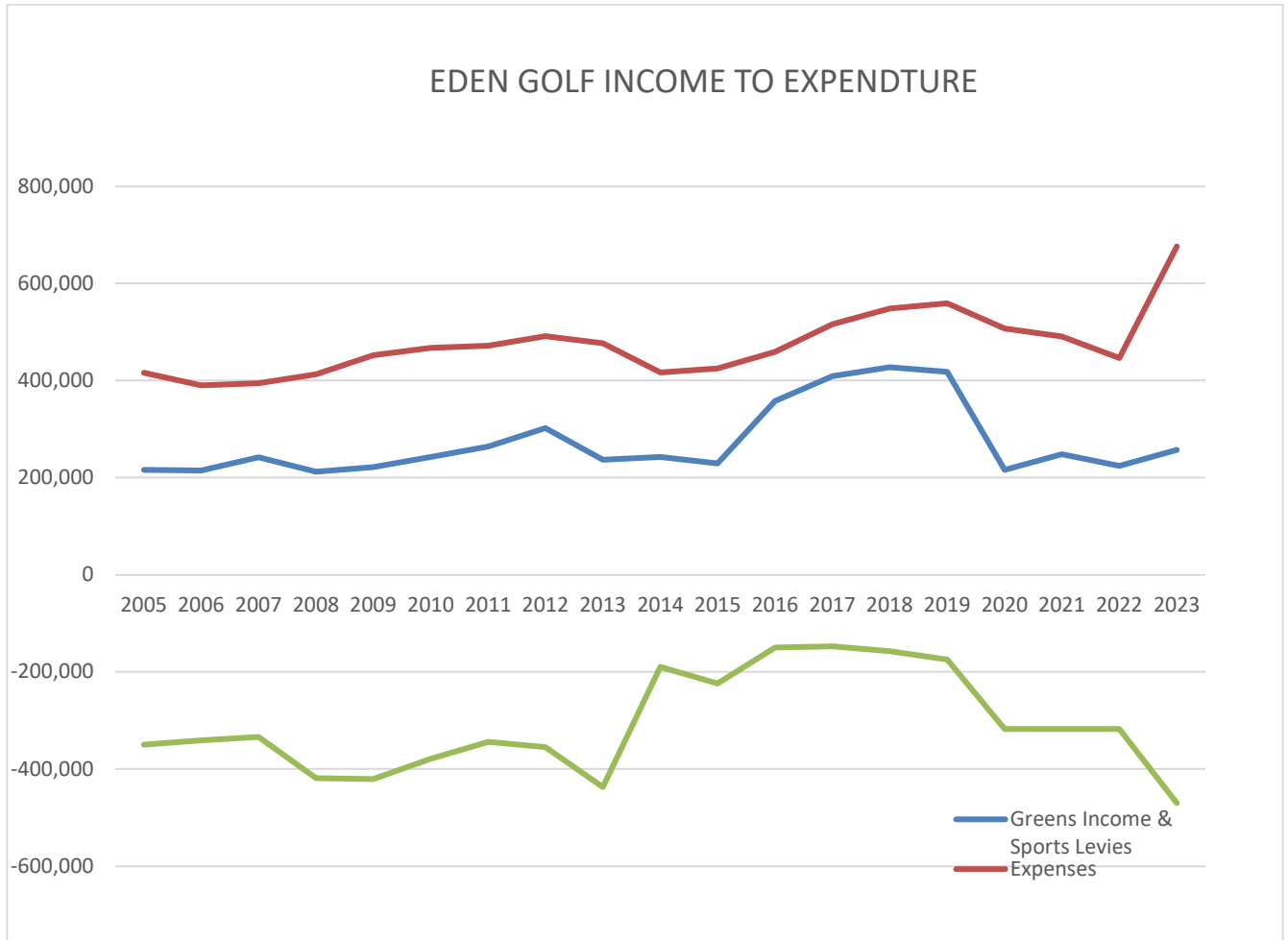
After almost 14 months of council delays related to the final construction certificate approval to commence the 16 lot Storey Avenue was obtained in early 2023 with Bega Council finally agreeing to withdraw its demands that Lincoln Place meet the costs of installing storm water drainage infrastructure to manage flows which do not form part of the development site.

The project has and will continue to present challenges to the club as we relocate and make temporary adjustment to the golf course in line with the development sequencing, but date these adjustments have been well accommodated without too much interruption to play.

In terms of trade, the club experienced strong growth in the first half of the year across both food, Gaming and Gaming operations, however increased cost of living pressures and continued interest rate rises by the Reserve bank saw this level of activity moderate immediately after the New Year holiday period and our expectation is for the remainder of 2023 that revenue levels will remain weaker than previously planned due to economic uncertainty.



## CHIEF EXECUTIVES OFFICER'S REPORT (Continued)



Andrew Terry B. Bs (CHM) ACCM  
Chief Executive Officer  
Eden Sports & Recreation Club

# **APPENDIX A**

## **Eden Fishermen's Recreation Club Ltd**

ABN: 43000071125

**A Company Limited by Guarantee**

### **Financial Statements**

For the year ended 30 April 2023



# Eden Fishermen's Recreation Club Ltd

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# Eden Fishermen's Recreation Club Ltd

## Directors' report

30 April 2023

The directors present their report on Eden Fishermen's Recreation Club Ltd for the financial year ended 30 April 2023.

### Information on directors

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

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**Paul Kirkby**

Qualifications	Self-employed Mechanic
Date of Appointment	25 August 2019
Special responsibilities	Chairman

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**Colin Clarke**

Qualifications	Retired
Date of Appointment	28 August 2005
Special responsibilities	Director

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**Alexander Chomatek**

Qualifications	Retired
Date of Appointment	24 August 2003
Special responsibilities	Vice-Chairman

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**Elizabeth Buckland**

Qualifications	Retired
Date of Appointment	27 July 1997
Special responsibilities	Director

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**John Pickett**

Qualifications	Retired
Date of Appointment	30 January 2012
Special responsibilities	Director

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**John Johnson**

Qualifications	Retail Sales
Date of Appointment	30 August 2020
Special responsibilities	Director

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**Wayne Marshall**

Qualifications	Retired
Date of Appointment	21 August 2022
Special responsibilities	Director

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**Erica Hansen**

Date of Appointment	30 January 2012
Date of Resignation	21 August 2022

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

# Eden Fishermen's Recreation Club Ltd

Directors' report

30 April 2023

## Principal activities

The principal activity of Eden Fishermen's Recreation Club Ltd during the financial year was providing of and maintenance of sporting and social activities and as a Registered Club.

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

## Short term objectives

The Company's short term objectives are to remain constant with the majority of emphasis remaining main stream revenue of gaming, beverage sales, the provision of quality catering and provisions of suitable sporting facilities.

## Long term objectives

The Company's long term objectives are centred on ensuring that our core club business model remains an ongoing sustainable business. To deliver this objective, the Board identify the need for the business to be " Fit for Market " and as such much ensure we constantly regenerate and innovate our core services in food, beverage, gaming and social/sporting activities to attract both new members and retain existing members. Our club needs to remain competitive and open to changes in consumer trends and behaviours, as such reinvestment in core facilities is seen as a major priority over the upcoming year.

## Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

## Strategy for achieving the objectives

To achieve these objectives, the Company adopts current licensed club industry practices and strategies to ensure that the short and long term objectives are met.

## How principal activities assisted in achieving the objectives

The principal activities assisted the Company in achieving its objectives by providing quality Club and sporting facilities in Eden for the benefit of members and guests.

## Performance measures

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

- On a monthly basis reports are generated that measure (amongst other things) members and visitor visitations, cashflow, short and long term debt, departmental trading, efficiencies in energy usage, EBITDARD, payroll movement and stock control. These are compared month to month, year to date actual and budget forecasts, which are then discussed at length between the Board and Management. Outside influences such as tourism, global, national and local economies are monitored and measured against the effect on relevant industry trading flow on to our small community of Eden.

# Eden Fishermen's Recreation Club Ltd

**Directors' report**

30 April 2023

## **Members guarantee**

Eden Fishermen's Recreation Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person who ceased to be a member in the year prior to the winding up, is limited to \$2, subject to the provisions of the company's constitution. At 30 April 2023 the collective liability of members was \$5,104 (2022: \$4,564).

## **Events after the reporting date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

## **Review of operations**

The Club experienced strong revenue recovery in the first eight months of the fiscal year whilst making significant internal structural changes within the business as it continued to adjust to a single trading entity site and complete significant outstanding building works arising from the 2021 -2021 refurbishment of the old Eden Gardens Country club.

Extensive replacement and upgrades of the club's major accounting system, Point of Sale, gaming data, golf systems and membership data base software was undertaken between October 2022 and April whilst simultaneously outsourcing of the club finance and golf and Greens maintenance divisions .

The company recorded a loss of (\$71,606) for the year end April 30th 2023 which was affected by accounting journal adjustments e.g. incorrect accrual of Pro shop income (\$54,275) and a cyber security incident which directly cost the Club (\$21,500). Other adjustments unknown to the Board and management during the financial year affected the result which was mainly the under recording of depreciation expense of approximately \$114,000 due to an error in rolling over the Club's fixed asset system in June 2022.

Continued and ongoing delays arising from the Lincoln Place joint venture development and Bega Council in issuing a final construction commencement approvals also resulted in major disruption to the Golf course works programs resulting in a significant amount of capital works to be brought forward ahead of schedule without the corresponding project income receipts to compensate for those additional expenses within the period incurred.

## **Significant changes in state of affairs and future developments and results**

In terms of the upcoming year, Management are closely monitoring the now noticeable slowdown in business activity as our resident membership population struggle to meet the excessive increases in household living expenses, particularly increased rates and energy costs. This will require continued focus on internal cost control area and seeking to minimize non-essential capital purchases and diverting trading cash flows in supporting or financing community, sporting or social projects which result in low return yields. Additionally, a land sale previously approved by Members settled in June 2023 and will be accounted for in the 30 April 2024 financial year. Refer to Note 11 for more details.

# Eden Fishermen's Recreation Club Ltd

Directors' report

30 April 2023

## Meetings of directors

During the financial year, 12 meetings of directors (including special meetings of directors) were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Elizabeth Buckland	12	12
Colin Clarke	12	11
Alexander Chomatek	12	12
Erica Hansen	4	2
John Johnson	12	9
Paul Kirkby	12	12
Wayne Marshall	8	7
John Pickett	12	12

## Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 April 2023 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board of directors.



Paul Kirkby  
Director



Colin Clarke  
Director

Dated: 27 July 2023



## Auditor's Independence Declaration to the Directors of Eden Fishermen's Recreation Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 April 2023, there have been:

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

**KOTHES**  
Chartered Accountants

A handwritten signature in black ink, appearing to be 'S.N. Byrne', with a long horizontal stroke extending to the right.

S.N. BYRNE  
Partner  
Registered Company Auditor (#153624)  
EDEN  
27 July 2023

# Eden Fishermen's Recreation Club Ltd

## Statement of profit or loss and other comprehensive income

For the year ended 30 April 2023

	Note	2023 \$	2022 \$
Revenue	5	4,522,906	3,505,562
Finance income	6	1,202	152
Lease income	13	64,866	53,227
Other income - Gain on disposal of fixed assets		44,031	2,598,958
Other income - Gain on sale of gaming machine entitlements		180,000	-
Cost of sales		(567,955)	(424,759)
Depreciation and amortisation		(386,851)	(475,303)
Employee benefit expenses		(1,438,752)	(1,472,726)
Finance expenses	6	(19,737)	(138,398)
Administrative expenses **		(231,187)	(194,470)
Advertising and promotions **		(45,741)	(49,704)
Cleaning expenses		(132,208)	(113,026)
Entertainment, raffles, bingo and other members benefits expenses		(253,191)	(126,314)
Insurance		(75,529)	(208,804)
Legal costs		(27,799)	(100,842)
Poker machine expenses		(475,676)	(320,985)
Power, light & heating		(150,258)	(116,457)
Rates and rent **		(95,468)	(90,868)
Repairs, maintenance expenses (includes course contract maintenance 2023) **		(830,460)	(303,088)
Site overhead other expenses		(78,024)	(72,247)
Sundry expenses	7	(75,775)	-
<b>(Deficit) / surplus before income tax</b>	7	(71,606)	1,949,908
Income tax	3.a	-	-
<b>(Deficit) / surplus after income tax</b>		(71,606)	1,949,908
<b>Other comprehensive income for the year, net of tax</b>		-	-
<b>Total comprehensive income for the year</b>		(71,606)	1,949,908

\*\* Prior year comparative expense allocations have been adjusted for current accounting system classifications.

The accompanying notes form part of these financial statements.

# Eden Fishermen's Recreation Club Ltd

## Statement of financial position

As at 30 April 2023

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	336,723	333,360
Trade and other receivables	10	97,416	250,310
Inventories - stock on hand		54,197	46,597
Prepayments		29,471	49,135
Non-current assets held for sale	11	265,368	-
<b>Total current assets</b>		<b>783,175</b>	<b>679,402</b>
<b>Non-current assets</b>			
Property, plant and equipment	12	9,604,703	9,497,709
Right-of-use assets	13	88,476	28,590
<b>Total non-current assets</b>		<b>9,693,179</b>	<b>9,526,299</b>
<b>Total assets</b>		<b>10,476,354</b>	<b>10,205,701</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	645,698	478,474
Borrowings	15	197,023	320,613
Employee benefits	16	307,801	412,520
Provisions	17	104,931	98,897
Lease liabilities	13	21,691	2,189
Liabilities directly associated with non-current assets classified as held for sale	11	650,000	483,146
Member subscriptions in advance		24,294	34,574
<b>Total current liabilities</b>		<b>1,951,438</b>	<b>1,830,413</b>
<b>Non-current liabilities</b>			
Borrowings	15	260,831	68,676
Provisions	17	168,600	168,600
Lease liabilities	13	60,306	31,227
<b>Total non-current liabilities</b>		<b>489,737</b>	<b>268,503</b>
<b>Total liabilities</b>		<b>2,441,175</b>	<b>2,098,916</b>
<b>Net assets</b>		<b>8,035,179</b>	<b>8,106,785</b>
<b>Equity</b>			
Retained earnings		3,880,604	3,952,210
Reserves	21	4,154,575	4,154,575
<b>Total equity</b>		<b>8,035,179</b>	<b>8,106,785</b>

The accompanying notes form part of these financial statements.



# Eden Fishermen's Recreation Club Ltd

## Statement of changes in equity For the year ended 30 April 2023

<b>2022</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total \$</b>
Opening balance	697,496	5,459,381	6,156,877
Result for the year	1,949,908	-	1,949,908
Transfers to/(from asset revaluation surplus	1,304,806	(1,304,806)	-
<b>Closing balance</b>	<b>3,952,210</b>	<b>4,154,575</b>	<b>8,106,785</b>

<b>2023</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total \$</b>
Opening balance	3,952,210	4,154,575	8,106,785
Result for the year	(71,606)	-	(71,606)
<b>Closing balance</b>	<b>3,880,604</b>	<b>4,154,575</b>	<b>8,035,179</b>

The accompanying notes form part of these financial statements.

# Eden Fishermen's Recreation Club Ltd

## Statement of cash flows

For the year ended 30 April 2023

	2023	2022
	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	5,364,382	3,330,155
Payments to suppliers and employees	(4,851,417)	(4,126,907)
Interest received	1,202	152
Finance costs	(19,737)	(138,398)
<b>Net cash flows from/(used in) operating activities</b>	<b>494,430</b>	<b>(934,998)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	84,150	4,832,861
Proceeds from sale of land (instalment)	166,854	-
Purchase of property, plant and equipment	(470,889)	(3,701,611)
<b>Net cash provided by/(used in) investing activities</b>	<b>(219,885)</b>	<b>1,131,250</b>
<b>Cash flows from financing activities:</b>		
Proceeds from borrowings	-	530,275
Repayment of borrowings	(215,968)	(3,607,608)
Repayment of lease liabilities	(16,486)	(6,311)
<b>Net cash provided by/(used in) financing activities</b>	<b>(232,454)</b>	<b>(3,083,644)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>42,091</b>	<b>(2,887,392)</b>
Cash and cash equivalents at beginning of year	257,402	3,144,794
<b>Cash and cash equivalents at end of financial year</b>	<b>299,493</b>	<b>257,402</b>

The accompanying notes form part of these financial statements.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 1. Introduction

The financial report covers Eden Fishermen's Recreation Club Ltd as an individual entity. Eden Fishermen's Recreation Club Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia. The company was incorporated on 14 May 1948 (ACN 000 071 125) under the Companies Act No 33, 1936 (NSW). It is registered with the Australian Business Register - Australian Business Number 43 000 071 125 and is registered for Goods & Services Tax purposes. The registered office and principal place of business of the company is 81 Princes Highway, EDEN, NSW, 2546.

The functional and presentation currency of Eden Fishermen's Recreation Club Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 27 July 2023.

Comparatives are consistent with prior years, unless otherwise stated.

### 2. Basis of preparation

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

The Company has adopted AASB 1060 General Purpose Financial Statements - Simplified Disclosure for the first time in these statements. Previously the Company prepared statements in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. The change has no impact on the recognition and measurement of amounts in the financial statements. Some disclosures have been added or amended in line with the requirements of AASB 1060.

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

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

### 3. Summary of significant accounting policies

#### a. Income tax

The Company is a Not for Profit Entity with a main objective of providing quality sporting facilities in Eden NSW. The Board has reviewed its income tax status and have assessed the Company to be exempt from income tax under section 50-45 of the Income Tax Assessment Act, 1997 (Cth). Consequently, no provision for taxation has been made in the financial statements.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### b. Revenue

#### i. Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

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

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

#### ii. Specific revenue streams

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

##### **Sales and services revenue**

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

##### **Membership income**

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

#### iii. Other income

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

### c. Goods and services tax (GST)

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

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

### d. Cash and cash equivalents

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

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### e. Leases

At inception of a contract, the Company assesses whether a lease exists.

#### i. Lessee accounting

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

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

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

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

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

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

#### *Exceptions to lease accounting*

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

#### ii. Lessor accounting

When the Company is a lessor, the lease is classified as either an operating or finance lease at inception date based on whether substantially all of the risks and rewards incidental to ownership of the underlying asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

### f. Inventories

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

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### g. Property, plant and equipment

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

#### i. Land and buildings

Land is measured using the revaluation model. Buildings are is measured using the cost model.

#### ii. Plant and equipment

Plant and equipment are measured using the cost model.

#### iii. Depreciation

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

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

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

Fixed asset class	Useful life
Buildings and improvements	20 to 40 years
Plant and Equipment	3 to 20 years

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

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

#### iv. Acquisition of Assets

The purchase method of accounting is used to account for all acquisitions of assets regardless of what assets are acquired. Cost is measured as the fair value of assets given up as the date of acquisition plus costs directly attributable to the acquisition. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is Company's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. As per the Company accounting policy, only property, plant & equipment assets with an acquisition cost above \$500.00 (excluding GST) are capitalised. All other fixed asset acquisitions with a cost below this are expensed in the period in which they relate to.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### **h. Provisions**

Provisions are recognised when the Company 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.

### **i. Employee benefits**

Provision is made for the Company's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

### **j. Financial instruments**

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### **i. Financial assets**

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

#### *Classification*

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

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

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

#### *Amortised cost*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment. Interest income is recognised in profit or loss. G

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### *Impairment of financial assets*

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information. The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held). Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

### *Trade receivables and contract assets*

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

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

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

## **ii. Financial liabilities**

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables, bank and other loans and lease liabilities.



# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### **k. Members Mortuary Insurance and Accident Insurance Schemes**

The Company self-insures those members who have retained their eligibility for benefits by paying an additional membership subscription. An amount of \$650 is payable to the estate of eligible members who die from natural causes. The provision of \$168,600 in the accounts is based on actuarial advice and is the Directors estimate and takes into account the present, discounted, value of future expected payments.

### **l. Net Current Deficit**

At 30 April 2023, the Company was in a net current liability position of \$1,168,263 (2022: net current deficit position of \$1,151,011). Notwithstanding this, the financial report has been prepared on a going concern basis. The Company's ability to continue as a going concern is dependent on the successful completion of the developments by Lincoln Place, increased trade at the Country Club premises and predicted increase in revenue streams along with required decreases in other operational expenditure.

## **4. Critical accounting estimates and judgements**

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

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

The significant estimates and judgements made have been described below.

### **a. Key estimates - provisions**

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

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 5. Revenue and other income

#### a. Revenue from continuing operations

	2023	2022
	\$	\$
<b>Revenue from contracts with customers</b>		
Bar sales	1,411,425	969,230
Poker machine income	2,638,525	1,957,745
Keno Commission	85,169	75,988
TAB commission	12,192	6,403
Catering sales	178	2,103
Greens income	71,382	91,354
Entertainment receipts	105,718	90,088
Member subscriptions	132,266	144,274
Other revenue from contracts with customers	66,051	9,079
	4,522,906	3,346,264
<b>Revenue from other sources</b>		
Government subsidies	-	159,298
	4,522,906	3,505,562

#### b. Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated into revenue recognised at a point in time and over time which is only applicable to membership subscriptions and the following table shows this breakdown:

At a point in time	4,390,496	3,201,990
Over time - member subscriptions	132,266	144,274
	4,522,762	3,346,264

### 6. Finance income and expenses

Finance income	2023	2022
	\$	\$
Interest income - cash at bank	1,202	152
<b>Finance expenses</b>		
Interest expense on borrowings and lease liabilities	19,737	138,398

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 7. Result for the year

The result for the year includes the following expenses which contributed to the operating result:

	2023	2022
	\$	\$
Write off of income accrued for greens in 2022 and 2021 financial years	54,275	-
Net loss on cyber security fraud during 2023 financial year	21,500	-
<b>Total</b>	<b>75,775</b>	<b>-</b>

### 8. Auditor's remuneration

	2023	2022
	\$	\$
Remuneration of the auditor of the Company, Kothes Chartered Accountants, for:	-	-
Auditing the financial statements	28,000	30,100
Preparation of fringe benefits tax return	495	495
	<b>28,495</b>	<b>30,595</b>

### 9. Cash and cash equivalents

#### a. Cash and cash equivalent details

	2023	2022
	\$	\$
Cash at bank and on hand	336,723	333,360

#### b. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2023	2022
	\$	\$
Cash and cash equivalents	336,723	333,360
Bank overdraft	(37,230)	(75,958)
	<b>299,493</b>	<b>257,402</b>

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 10. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	32,458	109,677
GST receivable	-	41,292
Other trade and other receivables	64,958	99,341
	97,416	250,310

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

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

### 11. Assets and liabilities held for sale

#### a. Non-current assets held for sale

	2023	2022
	\$	\$
Land	265,368	-

Land at Lot 1 and 2 in Deposited Plan 1126141 has been sold with the final settlement still to occur. The net proceeds from the sale are booked as a current liability being \$650,000 with the net income from the sale to be accounted for in the 30 April 2024 financial year. There are some minor outstanding receipts/payments from the settlement otherwise all monies have been received/paid for the land sale before 30 April 2023.

The book value of the land disposed of has been calculated using the independent valuation of the Country Club land as described in Note 12.

#### b. Associated liabilities

The liabilities associated with non-current assets held for sale are:

Land sale receipts received	650,000	483,146
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# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 12. Property, plant and equipment

#### a. Property, plant and equipment details

Summary	2023 \$	2022 \$
Land at valuation	3,940,828	4,206,196
<b>Buildings</b>		
At Cost	4,873,664	4,765,398
Accumulated depreciation	(755,100)	(648,083)
<b>Total Buildings</b>	<b>4,118,564</b>	<b>4,117,315</b>
<b>Course, Pro Shop &amp; Bowling Greens</b>		
At cost	536,733	147,403
Accumulated depreciation	(121,206)	-
<b>Total Course, Pro Shop &amp; Bowling Greens</b>	<b>415,527</b>	<b>147,403</b>
<b>Plant and equipment</b>		
At cost	4,823,927	4,992,109
Accumulated depreciation	(3,694,143)	(3,965,314)
<b>Total Plant and equipment</b>	<b>1,129,784</b>	<b>1,026,795</b>
	<b>9,604,703</b>	<b>9,497,709</b>

2023	Land \$	Buildings \$	Course, Pro Shop & Bowling Greens \$	Plant and equipment \$	Total \$
Opening balance	4,206,196	4,117,315	147,403	1,026,795	9,497,709
Additions *	-	108,266	167,430	518,454	794,150
Disposals	-	-	-	(40,119)	(40,119)
Transfers	-	-	111,647	(111,647)	-
Depreciation	-	(107,017)	(10,953)	(263,699)	(381,669)
Transfer of land available for sale (Note 11)	(265,368)	-	-	-	(265,368)
<b>Closing balance</b>	<b>3,940,828</b>	<b>4,118,564</b>	<b>415,527</b>	<b>1,129,784</b>	<b>9,604,703</b>

\* Fixed asset purchases by equipment loans for 2023 year - \$323,261.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### Core and Non-Core Property - Registered Clubs Act 1976 (NSW)

At a general meeting of members held on 12 June 2019 land at Lot 1 and 2 in Deposited Plan 1126141 was approved as non-core property under the Registered Clubs Act 1976 (NSW) which enables the Company to sell, lease exchange or otherwise dispose of this land. The sale of this land was finalised in June 2023 and has been transferred to Available for Sale assets at Note 11.a.

All other land and all buildings of the Company are Core property under the Registered Clubs Act 1976 (NSW) and cannot be disposed of etc. without prior approval from the members of the Company.

### Land and Buildings Information

Freehold Buildings at the Country Club were valued on the 30th April 2016 by independent valuers at fair value. The valuation prior to the Clubhouse redevelopment in 2022 was \$1,525,000 which far exceeded the book value. A current valuation of the Buildings will be conducted in the near future however the Board believe that the fair value of Buildings exceeds the book value that is carried in the financial statements.

Freehold Land at the Country Club was valued on 29th November 2017 by independent valuers at fair value of \$4,200,000 which included the land sold in June 2023. A valuation for the remaining freehold land will be performed and accounted for in the 30 April 2024 financial year.

Identifiers	Description	Title
Lot 3 DP 112641	Lot 3	Freehold title and ownership held by Eden Fishermen's Recreation Club Ltd.
Lot 4 DP 112641	10th hole, 11th hole and 12th hole	Perpetual lease from the Bega Valley Shire Council which is renewable on a 45 year term, which commenced on the 1 August 1983.
Lot 214, 218 & 219 DP 729204, and Lot 94 DP 750205	Remainder of Club lands	Perpetual lease from the State of New South Wales which is renewable on a 25 year term, which commenced on the 3 August 2001.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 13. Leases

#### a. Company as a lessee

The Company has leases over a range of assets including land and equipment.

##### i. Terms and conditions of leases

###### Land

The Company leases land at the Country Club premises from the NSW Department of Industry and the Bega Valley Shire Council. Both leases are in effect perpetual leases and as such have not been accounted for under AASB 16. Yearly rental payments will continue to be expensed as per AASB 117.

###### Equipment

A lease is held for club equipment which has a term of 5 years beginning in December 2021 and a lease for a Bus which has a term of 4 years which began in December 2022.

##### ii. Right-of-use assets

	Plant and equipment \$
<b>2023</b>	
Opening balance	28,590
Amortisation charge	(5,182)
Additions	65,068
<b>Closing balance</b>	<b>88,476</b>

##### iii. Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	2023 \$	2022 \$
< 1 year	26,401	6,755
1 - 5 years	66,565	30,218
<b>Total undiscounted lease liabilities</b>	<b>92,966</b>	<b>36,973</b>

##### Lease liabilities included in the statement of financial position

Current	21,691	2,189
Non-current	60,306	31,227
<b>Total Lease liabilities included in the statement of financial position</b>	<b>81,997</b>	<b>33,416</b>

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### b. Company as a lessor

#### i. Operating leases

The Company leases out its catering operations and facility.

Additionally, the company has leased land to a special purpose entity of which the company is an equal owner along with Lincoln Place (the developers). The lease is for 99 years from 2019. The developers are currently building a Lifestyle Living Community on the leased land which will earn income for the special purpose entity in the future. No income has been received or accrued by the Company to date.

The amounts recognised in the statement of profit or loss and other comprehensive income relating to operating leases where the Company is a lessor are shown below:

	2023	2022
	\$	\$
Lease income	64,866	53,227

### 14. Trade and other payables

Current	2023	2022
	\$	\$
Trade payables	311,195	249,898
GST payable	71,373	-
Accrued expenses	260,915	222,530
Other trade and other payables	2,215	6,046
	645,698	478,474

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.



# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 15. Borrowings

Current	2023 \$	2022 \$
<b>Secured</b>		
Equipment loans	135,177	40,356
Loan - Lincoln Place Developments Pty Ltd	-	150,000
	135,177	190,356
<b>Unsecured</b>		
Bank overdraft	37,230	75,958
Other loans - supplier invoice loans (interest bearing)	24,616	54,299
	61,846	130,257
<b>Total current borrowings</b>	<b>197,023</b>	<b>320,613</b>
<b>Non-current</b>		
<b>Secured</b>		
Equipment loans	231,085	68,676
<b>Unsecured</b>		
Other loans - supplier invoice loans (interest bearing)	29,746	-
<b>Total non-current borrowings</b>	<b>260,831</b>	<b>68,676</b>
<b>Total borrowings</b>	<b>428,108</b>	<b>389,289</b>

#### a. Summary of borrowings

- National Australia Bank**

The bank overdraft is un-secured.

- Loan - Lincoln Place Developments Pty Ltd**

The loan was fully repaid with a payment made from land sale proceeds in October 2022.

- Equipment Loans**

Equipment loans are held with the NAB, CBA and two other finance companies. The equipment loans are secured by the underlying assets.

#### b. Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 16. Employee benefits

#### a. Employee benefit details

Current	2023 \$	2022 \$
Provision for long service leave	142,235	191,718
Provision for annual leave	165,566	220,802
	307,801	412,520

### 17. Provisions

#### a. Provision details

Current	2023 \$	2022 \$
Provision for poker machine jackpots	68,531	77,748
Provision for bonus points liability	36,400	21,149
	104,931	98,897

#### Non-current

Provision for mortuary insurance claims	168,600	168,600
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#### Provision for Poker Machine Jackpots

A provision is recognised for poker machine jackpots not paid as at year end.

#### Provision for Bonus Points

A provision is recognised for member bonus points not paid as at year end. It has been calculated by the Club's membership system.

### 18. Members' guarantee

The Company is registered with the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Company. At 30 April 2023 the number of members was 2,552 (2022: 2,282).

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 19. Contracted commitments

	2023	2022
	\$	\$
<b>Leasing commitments</b>		
<b>Minimum lease payments under non-cancellable operating leases:</b>		
Not later than one year	27,617	15,911
Between one year and five years	11,844	21,215
	39,461	37,126

Operating leases are in place for a motor vehicle, golf carts and club equipment as at 30 April 2023. Due to the remaining lease payments being insignificant no asset and liability has been booked under AASB 16 Leases for these leases.

#### Course Maintenance Commitment

The Company has a contract for the maintenance of the course and bowling greens which began on 1 May 2022 and is for 8 years. The maintenance fee for the year ended 31 May 2023 was \$500,000 with the 2024 annual fee to be the same and then annual increases from 2025 on.

Capital improvements have also been incorporated into the contract which may be modified as appropriate.

### 20. Key management personnel remuneration

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

### 21. Reserves

	2023	2022
	\$	\$
Revaluation surplus - Land - Country Club	4,154,575	4,154,575

#### a. Revaluation surplus

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

### 22. Contingencies

As at 30 April 2023 the Company had 288 eligible members of the mortuary scheme. This represents a contingent liability of \$187,200 for the members of this scheme. \$168,600 is included in the financial statements (Note 17) to provide for the Directors estimate of the present, discounted, value of future expected payments.

# Eden Fishermen's Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 April 2023

### 23. Related parties

#### a. The Company's main related parties are as follows:

Key management personnel - refer to Note 20.

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

#### b. Transactions with related parties

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

### 24. Borrowing facilities

Unrestricted access was available at balance date to a bank overdraft with the following facilities available from the National Australia Bank. A credit card facility of \$15,000 is available however is cleared monthly. Additionally, the company has access to \$298,220 with the NAB for asset financing/leasing which was fully utilised as at year end.

		Used at	Unused at
	Total facilities	reporting date	reporting date
2023	\$	\$	\$
Bank overdraft facility	100,000	37,230	62,770
Equipment loans - NAB	298,220	298,220	-
	398,220	335,450	62,770
<hr/>			
2022			
Bank overdraft facility	100,000	75,958	24,042

### 25. Intangible Assets - Gaming Machine Entitlements

The Club operates 60 poker machines and holds an additional 13 Gaming Machine Entitlements. At this time, it is not the intention of the Company to trade in or sell these entitlements and therefore no future benefit will arise. No assessment has accordingly been made in their intrinsic worth or fair value.

# Eden Fishermen's Recreation Club Ltd

## Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the year ended 30 April 2023 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 April 2023 and of the performance for the year ended on that date of the Company.

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.



Paul Kirkby  
Director



Colin Clarke  
Director

Dated: 27 July 2023

## Independent Audit Report to the members of Eden Fishermen's Recreation Club Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Eden Fishermen's Recreation Club Limited (the Company), which comprises the statement of financial position as at 30 April 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) giving a true and fair view of the Company's financial position as at 30 April 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for Opinion

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

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

#### Other Information

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

#### Responsibilities of Directors for the Financial Report

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

## **Independent Audit Report to the members of Eden Fishermen's Recreation Club Limited (Continued)**

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

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**KOTHES**  
**Chartered Accountants**



S.N. BYRNE  
Partner  
Registered Company Auditor (#153624)  
EDEN  
27 July 2023



## APPENDIX B

### Supplementary Information For the Year Ended 30 April 2023

The additional financial data presented on the following pages is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 30 April 2023. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Eden Fishermen's Recreation Club Limited) in respect of such data, including any errors or omissions therein however caused.

**KOTHES**  
Chartered Accountants

A handwritten signature in black ink, appearing to read 'S.N. BYRNE'.

S.N. BYRNE  
Partner  
Registered Company Auditor (#153624)  
EDEN  
27 July 2023



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

Liability limited by a scheme  
approved under Professional  
Standards Legislation

DIRECTORS  
**Simon Byrne**  
**Fiona Dunham**  
**Ben Marshman**  
**Gary Pearce**  
**Kevin Philistin**  
**Gary Skelton**

BEGA  
MERIMBULA  
EDEN  
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# Eden Sports & Recreation Club

## Profit & Loss Account for the Year Ended 30 April 2023

	2023	2022
<b>Income</b>		
Bar Trading account	453,641	219,274
Poker Machine Trading account	1,709,997	1,186,240
Greens trading account	(520,464)	(269,291)
TAB & Keno Trading account	65,395	60,885
Catering sales	178	2,103
Rental income	64,866	53,227
Entertainment receipts	105,563	90,087
Other income	53,788	9,082
Tour income	7,979	0
Interest received	1,202	152
Government subsidies	4,295	159,298
Memberships	28,236	32,484
	<b>1,974,676</b>	<b>1,543,541</b>
<b>EXPENSES</b>		
Administrative expenses	217,935	377,956
Advertising	26,955	23,889
Cleaning expenses	132,208	113,027
Depreciation and amortisation	195,843	174,723
Entertainment and promotion expenses	245,486	153,068
Insurance	51,148	188,231
Motor vehicle expenses	27,407	33,446
Operating supplies	14,388	17,383
Other expenses	33,286	36,928
Power, light & heat	147,266	115,897
Rates	47,871	67,035
Repairs and maintenance	85,621	50,629
Security	4,352	4,641
Telephone	8,217	11,353
Travel costs	26,121	11,655
Staff Expenses	886,403	812,730
	<b>2,150,507</b>	<b>2,192,591</b>
<b>Result before Other Income and Expenses</b>	<b>(175,831)</b>	<b>(649,050)</b>
<b>Other income and expenses</b>		
Surplus from disposal of property, plant and equipment	0	2,598,958
Profit on sale of gaming machine entitlements	180,000	0
Prior Period Adjustment	(75,775)	0
<b>OPERATING RESULT FOR YEAR</b>	<b>(71,606)</b>	<b>1,949,908</b>

# Eden Sports & Recreation Club

## Profit & Loss Account for the Year Ended 30 April 2023

	2023	2022
<b>BAR TRADING ACCOUNT</b>		
Bar Sales	1,385,440	969,230
Less: Cost of Goods Sold	(567,954)	(424,955)
	<b>817,486</b>	<b>544,275</b>
<b>Operating Expenses</b>		
Depreciation	5,623	10,466
Insurance	8,716	5,611
Operating supplies	11,779	11,353
Repairs and maintenance	4,703	4,327
Staff expenses	333,024	293,244
	<b>363,845</b>	<b>325,001</b>
<b>BAR TRADING ACCOUNT RESULT</b>	<b>453,641</b>	<b>219,274</b>
<b>POKER MACHINE TRADING ACCOUNT</b>		
<b>Income</b>		
Poker machine net	<b>2,638,525</b>	<b>1,957,745</b>
<b>Operating Expenses</b>		
Depreciation	153,873	223,831
Insurance	10,019	13,092
Monitoring fees	21,813	3,873
Operating supplies	26,755	57,162
Poker Machine Tax	418,938	268,120
Promotions	34,925	31,186
Repairs and maintenance	73,867	59,129
Staff expenses	188,338	115,112
	<b>928,528</b>	<b>771,505</b>
<b>POKER MACHINE TRADING ACCOUNT RESULT</b>	<b>1,709,997</b>	<b>1,186,240</b>

# Eden Sports & Recreation Club

## Profit & Loss Account for the Year Ended 30 April 2023

	2023	2022
<b>GREENS TRADING ACCOUNT</b>		
<b>Income</b>		
Cart hire	34,009	45,567
Sales	55,787	66,685
Sports levy income	104,030	111,790
Surplus from disposal of course plant and equipment	44,031	0
	<b>237,857</b>	<b>224,042</b>
<b>Operating Expenses</b>		
Affiliation fees	11,633	12,937
Cart rental expense	18,414	20,964
Commission	389	0
Depreciation	30,508	64,321
Electricity	2,992	560
Golf professional fees	61,400	54,000
Insurance	5,646	1,870
Operating supplies	858	18,633
Rent and rates	47,597	23,833
Repairs and maintenance	565,989	53,554
Staff expenses	12,895	242,661
	<b>758,321</b>	<b>493,333</b>
<b>GREENS TRADING ACCOUNT RESULT</b>	<b>(520,464)</b>	<b>(269,291)</b>
<b>TAB &amp; KENO TRADING ACCOUNT</b>		
<b>Income</b>		
TAB commission	12,192	6,403
Keno commission	85,169	75,988
	<b>97,361</b>	<b>82,391</b>
<b>Operating Expenses</b>		
Depreciation	920	1,317
Operating supplies - Keno	1,172	2,243
Operating supplies - TAB	10,414	7,612
Staff expenses	19,460	10,334
	<b>31,966</b>	<b>21,506</b>
<b>TAB &amp; KENO TRADING ACCOUNT RESULT</b>	<b>65,395</b>	<b>60,885</b>