

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**DIRECTORS' REPORT**

Your directors present their report on the company for the financial year ended 30 September 2021.

## **Directors**

The names of directors in office at any time during or since the end of the year are:

Mr A Beavis (resigned 12.4.21)	Mr G Wyper
Mr J Goodwin	Mr C Creswell
Mr R Flanagan	Mr D Wyper
Mr P Heggie	Mr A Dures (appointed 9.12.20)
Mr B Patchett (appointed 9.12.20, resigned 31.10.21)	

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

## **Principal Activities**

The principal activities of the company during the financial year was that of a registered licensed golf club.

There were no significant changes in the nature of the company's principal activities during the financial year.

## **Operating Results**

The profit of the company after providing for income tax amounted to \$138,947 (2020 profit \$415,310).

## **Review of Operations**

Membership subscriptions and golf income totalled \$803,562 this year an increase of 14.2% compared to last year. Gross profit from bar trading amounted to \$159,134 and a gross profit percentage of 56.2% was obtained from sales of \$283,222.

## **Significant Changes in State of Affairs**

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

## **After Balance Date Events**

During the year the company sought expressions of interest for amalgamation. From the submissions received the directors selected Kurri Kurri Bowling Club Limited as the most suitable application. At the date of this report a Memorandum of Understanding is being drafted for presentation to the members.

## **Future Developments**

Likely developments in the operations of the company and the expected results of those operations in future financial years have not been included in this report.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**DIRECTORS' REPORT**

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Information on Directors**

C Creswell	—	President
Experience	—	Member for 26 years.
A Dures	—	Director
Experience	—	Member for 2 years.
G Wyper	—	Director
Experience	—	Member for 50 years. Director for 24 years including Captain for the past 16 years.
P Heggie	—	Director
Experience	—	Member for 42 years. Previous Captain and Director for 29 years.
J Goodwin	—	Director
Experience	—	Member for 13 years.
R Flanagan	—	Director
Experience	—	Member for 27 years.
B Patchett	—	Director
Experience	—	Member for 29 years.
D Wyper	—	Director
Experience	—	Member for 59 years. Director for 2 years. Previous Captain, Vice President and Director various times since 1970.

**Members' Guarantees**

The company is limited by guarantee. In the event of the company being wound up, the Memorandum of Association states that each member is required to contribute a maximum of \$5.00 each towards meeting any outstanding obligations of the company.

At 30 September 2021 the number of members was 739 (2020: 716).

**Directors' and Executive Officers' Emoluments**

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the company or a related corporation, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**DIRECTORS' REPORT**

### Meetings of Directors

During the financial year, 12 meetings of directors (including committees) were held. Attendances were:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
P Heggie	10	9
G Wyper	10	9
A Beavis	5	2
C Creswell	10	8
J Goodwin	10	8
R Flanagan	10	7
D Wyper	10	8
A Dures	8	8
B Patchett	8	7

### Indemnifying Officers

The company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the company.

### Mandatory Director Training

Under the Registered Clubs Amendment (disclosures) Regulation 2019 the company is required to disclose to its members certain information relating to mandatory training requirements undertaken by Directors. As the company has annual gaming machines profits of less than \$1 million, the Regulation prescribes that at least two directors must complete their mandatory training within 12 months of appointment unless otherwise exempt.

### Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

### Short and Long Term Objectives

The company has established short and long term objectives which are reviewed on an annual basis. These objectives are both financial and non financial and are aimed towards providing a comfortable and secure environment to its members that continues to meet their needs. These objectives are measured through both financial and non financial key performance indicators that have been determined relevant to the club industry.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**DIRECTORS' REPORT**

**Disclosure of Core and Non-Core Property**

Pursuant to Section 41J(2) of the Registered Clubs Act 1976 and for the financial year ended 30 September 2021, the Directors have determined that the property of the company shall be classified as follows:

<b>Address</b>	<b>Current usage</b>	<b>Classification</b>
Clift Street, Heddon Greta	Club premises and golf course	Core

**Coronavirus Pandemic**

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements.

From 5 August 2021 the Club was required to close again due to lockdowns imposed as a result of the Covid-19 pandemic. The Club is controlling costs where possible and is also eligible for government funding via the business support grant and jobsaver program throughout the period of closure. The Club was able to reopen 11 October 2021 with restrictions and while anticipating challenging trading conditions until such a time that a return to normal operations is possible, expects to return to a profitable and cashflow positive situation in the short term. The financial position of the Club is being monitored on an ongoing basis by Management and the Board.

**Rounding of Amounts**

The company is of a kind referred to in Class Order 98/100, issued by the Australian securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report. Amounts in the directors' report have been rounded to the nearest dollar.

**Auditor's Independence Declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

**Auditor**

Mark Walmsley continues in office in accordance with section 327 of the Corporations Act 2001.

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

.....  
Director

Dated this            day of January, 2022.

**MARK WALMSLEY** *B Comm. CA*  
**CHARTERED ACCOUNTANT**  
ABN: 91 918 334 370

**Auditor's independence declaration**

As lead auditor for the audit of Kurri Golf Club Limited for the year ended 30 September 2021, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kurri Golf Club Limited and the entities it controlled during the period.

Mark Walmsley  
Stockton

Date: January, 2022

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	Note	2021 \$	2020 \$
<b>Revenues from contracts with customers</b>	2	1,255,719	1,070,891
<b>Other income</b>		197,219	565,351
Changes in inventories		5,885	(3,111)
Purchases		(174,343)	(161,988)
Employee benefits expense		(561,886)	(513,169)
Depreciation and amortisation expenses	3	(62,604)	(59,298)
Borrowing costs expense	3	(2,148)	(3,770)
Repairs and maintenance expenses		(37,877)	(37,278)
Insurance expenses		(45,853)	(39,744)
Golfing expenses		(314,165)	(293,338)
Raffle and promotion expenses		(16,367)	(18,430)
Other expenses		(104,633)	(90,806)
Profit/(loss) from operating activities before income tax		138,947	415,310
Income tax expense		-	-
Profit from operating activities		<u>138,947</u>	<u>415,310</u>

The above income statement should be read in conjunction with the accompanying notes.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	488,217	433,354
Inventories	6	27,809	21,924
Receivables	7	403	27,297
Other	8	61,361	27,103
<b>TOTAL CURRENT ASSETS</b>		<u>577,790</u>	<u>509,678</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	887,124	799,033
Right of use asset	10	12,679	14,264
<b>TOTAL NON-CURRENT ASSETS</b>		<u>899,803</u>	<u>813,297</u>
<b>TOTAL ASSETS</b>		<u>1,477,593</u>	<u>1,322,975</u>
<b>CURRENT LIABILITIES</b>			
Payables	11	277,131	272,078
Borrowings	12	23,264	18,539
Lease liabilities	13	3,600	3,600
Provisions	14	9,885	7,135
Subscriptions in advance	15	85,606	90,090
<b>TOTAL CURRENT LIABILITIES</b>		<u>399,486</u>	<u>391,442</u>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	13	5,293	8,788
Provisions	14	11,823	701
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>17,116</u>	<u>9,489</u>
<b>TOTAL LIABILITIES</b>		<u>416,602</u>	<u>400,931</u>
<b>NET ASSETS</b>		<u>1,060,991</u>	<u>922,044</u>
<b>EQUITY</b>			
Retained profits		1,060,991	922,044
<b>TOTAL EQUITY</b>		<u>1,060,991</u>	<u>922,044</u>

The above balance sheet should be read in conjunction with the accompanying notes.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**STATEMENT IN CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>Retained</b>	
	<b>Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>2021</b>		
<b>Balance 1 October 2020</b>	922,044	922,044
Profit/(Loss) attributable to entity	138,947	138,947
	<hr/>	<hr/>
<b>Balance 30 September 2021</b>	1,060,991	1,060,991
	<hr/>	<hr/>
<b>2020</b>		
<b>Balance 1 October 2019</b>	506,734	506,734
Profit/(Loss) attributable to entity	415,310	415,310
	<hr/>	<hr/>
<b>Balance 30 September 2020</b>	922,044	922,044
	<hr/>	<hr/>

The above statements of change in equity should be read in conjunction with the accompanying notes



**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	Note	2021 \$	2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,474,440	1,622,475
Payments to suppliers and employees		(1,270,425)	(1,102,153)
Interest received		908	1,127
Borrowing costs		(2,148)	(3,770)
Net cash provided by (used in) operating activities	16b	<u>202,775</u>	<u>517,679</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		<u>(149,142)</u>	<u>(111,408)</u>
Net cash provided by (used in) investing activities		<u>(149,142)</u>	<u>(111,408)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		35,463	20,349
Repayment of borrowings		(30,738)	(50,723)
Repayment of lease liabilities		(3,495)	(3,461)
Net cash provided by (used in) financing activities		<u>1,230</u>	<u>(33,835)</u>
Net increase/(decrease) in cash held		54,863	372,436
Cash at beginning of year		<u>433,354</u>	<u>60,918</u>
Cash at end of year	16a	<u><u>488,217</u></u>	<u><u>433,354</u></u>

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

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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.

**(b) Covid-19 Pandemic**

On 11 March 2020, the World Health Organization declared a pandemic due to the spread of coronavirus across the world. Due to the spread of the coronavirus, global and local economies have been significantly affected, for example due to restrictions in production, trade and consumption or due to travel bans and social distancing requirements.

Notwithstanding the impact of the pandemic, the financial statements have been prepared on a going concern basis which contemplates the realisation of assets and extinguishment of liabilities in the ordinary course of business.

The directors are confident that the company will be successful in navigating the challenges of the pandemic and accordingly, the directors have prepared the financial report on a going concern basis. However, should circumstances arising from the pandemic such as long-term mandated closures of the club facilities occur, there is uncertainty on the ability of the company to continue as a going concern and realise its assets and extinguish its liabilities in the ordinary course of business. No provision for such circumstances has been reflected in the financial report.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(c) 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.

Key estimates - impairment

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

**(d) Comparative figures**

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

**(e) Income tax**

The entity is an exempt body for income tax purposes pursuant to S.11-5 of the Australian Income Tax Assessment Act 1997.

**(f) 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 six months, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

**(g) Investments and other financial assets**

*i) Classification*

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

The company is using the measured at amortised cost method for all its financial assets, namely trade and other receivables. Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

## **NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **Investments and other financial assets (cont'd)**

#### *ii) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on tradedate, the date on which the company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

#### *iii) Measurement*

Subsequent to initial recognition, financial assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognised in the profit or loss. Gain or loss on derecognition is recognised in profit or loss.

#### *iv) Impairment*

Impairment of financial assets is recognised on an expected credit loss (ECL) – forward looking – basis for all financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment, including forward looking information.

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.

### **(h) Financial liabilities**

#### *i) Classification*

The company classified its financial liabilities as those to be measured at amortised cost.

The company is using the measured at amortised cost method for all its financial liabilities. The financial liabilities of the company comprise trade payables and asset finance.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### *ii) Recognition and derecognition*

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 company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(i) Revenue and other income**

The company recognises revenue when it transfers control over a product or service to a customer. Revenue is measured based on the amount of consideration expected to be received in exchange for the transfer of the good or service to the customer.

**Revenue from contracts with customers**

Revenue from the sale of goods is recognised at the point of delivery.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Gaming machine revenue is recognised at the point of sale and represents the amounts earned through gaming wagers.

Revenue from membership subscriptions are recognised on a straight line basis over the financial year.

**Other revenue**

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

**(j) Trade and other receivables**

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

**(k) Inventories**

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

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(l) Property, plant and 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.

**Plant and equipment**

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line over the asset's useful life to the company commencing from the time the asset is held ready for use. Land is not depreciated. The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5 %
Plant and equipment	5 – 10%
Furniture and fittings	10 %
Course development	5%
Poker machines	10%

The assets' residual values, depreciation methods 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 and losses are included in the statement of profit or loss and other comprehensive income.

**(m) Impairment of non-financial assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(n) Trade and other payables**

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the company during the reporting period which remain unpaid at balance date. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(o) Employee benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured as the present value of expected future cash payments, taking into consideration expected future wage levels and experience of employees departures and periods of service. Government bond rates with terms that match, as closely as possible, the estimated future cash outflows were used in calculation.

**(p) Leases**

At inception of a contract, the company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognized by the company where the company is lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low-value assets are recognized as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentive;
- lease payments under extension options if lessee is reasonable certain to exercise the options; and
- payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated amortisation and impairment losses.

Right-of-use assets are amortised over the lease term of useful life or the underlying asset whichever is the shortest.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**(q) Gaming Machine Rebate**

The company received a rebate to compensate the loss of gaming machine income due to the introduction of GST. The period which the rebate relates to is from 1 September 2020 to 31 August 2021.

**(r) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**(s) Authorisation of Financial Statements**

The financial statements were authorised for issue on January, 2022 by the Directors.



**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	2021	2020
	\$	\$
<b>NOTE 2: REVENUE</b>		
From contracts with customers		
— Sale of goods	371,428	314,845
— Gambling revenue	41,643	25,829
— Members subscriptions	282,486	257,598
— Raffle income	39,086	26,694
— Golf income	521,076	445,925
	<u>1,255,719</u>	<u>1,070,891</u>
Other income from ordinary activities		
— Interest received	908	1,127
— Commissions	14,406	12,366
— Donations and sponsorship	18,807	18,161
— Grant income	9,091	16,311
— Compensation – Hunter Land Holdings	-	250,000
— Insurance recovery	80,682	1,682
— Jobsaver, Jobkeeper and Covid support	49,745	261,142
— Labour hire	7,707	-
— Sundry income	4,485	2,546
— Wages subsidy	7,816	-
— Diesel fuel rebate	3,572	2,016
	<u>197,219</u>	<u>565,351</u>
Total Revenue	<u>1,452,938</u>	<u>1,636,242</u>

**NOTE 3: PROFIT FOR THE YEAR**

Profit before income tax expense includes the following specific expenses:

Cost of sales	<u>173,254</u>	<u>166,566</u>
---------------	----------------	----------------

Borrowing costs:

— other persons	<u>2,148</u>	<u>3,770</u>
-----------------	--------------	--------------

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

2021                      2020  
                                  \$                              \$

**NOTE 3: PROFIT FOR THE YEAR (Cont'd)**

Depreciation and amortisation of non-current assets:

— buildings	12,460	12,364
— plant and equipment	24,025	22,173
— poker machines	7,272	6,797
— furniture and fittings	575	338
— renovations	246	246
— course development	16,441	15,795
— right of use asset	1,585	1,585
	<u>62,604</u>	<u>59,298</u>

**NOTE 4: KEY MANAGEMENT PERSONNEL  
 COMPENSATION**

The totals of remuneration paid to key management personnel of the company during the year are as follows:

Key management personnel compensation	<u>111,839</u>	<u>96,125</u>
---------------------------------------	----------------	---------------

**NOTE 5: CURRENT ASSETS - CASH AND CASH  
 EQUIVALENTS**

Cash at bank	368,543	267,745
Cash on hand	21,235	18,576
Cash at bank – savings	98,439	147,033
	<u>488,217</u>	<u>433,354</u>

**NOTE 6: CURRENT ASSETS - INVENTORIES**

At Cost

Stock on hand	<u>27,809</u>	<u>21,924</u>
---------------	---------------	---------------

**NOTE 7: CURRENT ASSETS – RECEIVABLES**

Other debtors	<u>403</u>	<u>27,297</u>
---------------	------------	---------------

**NOTE 8: CURRENT ASSETS - OTHER**

Prepayments	<u>61,361</u>	<u>27,103</u>
-------------	---------------	---------------

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	2021	2020
	\$	\$
<b>NOTE 9: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT</b>		
Land and Buildings		
Land at cost	177,078	177,078
	<hr/>	<hr/>
Buildings at cost	514,524	494,524
Less accumulated depreciation	(247,520)	(235,059)
	<hr/>	<hr/>
	267,004	259,465
	<hr/>	<hr/>
Total Land and Buildings	444,082	436,543
	<hr/>	<hr/>
Plant and equipment at cost	699,895	686,092
Less accumulated amortisation	(570,754)	(546,730)
	<hr/>	<hr/>
	129,141	139,362
	<hr/>	<hr/>
Furniture and fittings at cost	75,018	75,018
Less accumulated depreciation	(71,811)	(71,236)
	<hr/>	<hr/>
	3,207	3,782
	<hr/>	<hr/>
Poker machines at cost	143,437	78,122
Less accumulated depreciation	(49,824)	(58,175)
	<hr/>	<hr/>
	93,613	19,947
	<hr/>	<hr/>
Renovations at cost	10,733	10,733
Less accumulated depreciation	(8,582)	(8,336)
	<hr/>	<hr/>
	2,151	2,397
	<hr/>	<hr/>
Course development at cost	409,372	375,003
Less accumulated depreciation	(194,442)	(178,001)
	<hr/>	<hr/>
	214,930	197,002
	<hr/>	<hr/>
Total Plant and Equipment	443,042	362,490
	<hr/>	<hr/>
Total Property, Plant and Equipment	887,124	799,033
	<hr/>	<hr/>

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

**NOTE 9: PROPERTY, PLANT AND EQUIPMENT**  
**(CONT'D)**

	Land	Buildings	Plant & Equipment	Poker Machines	Furniture & Fittings	Renovations	Course Development	Total
	\$	\$	\$	\$	\$	\$	\$	\$
<b>At 1 October 2020</b>								
- Cost	177,078	494,524	686,092	78,122	75,018	10,733	375,003	1,896,570
- Valuation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(235,059)	(546,730)	(58,175)	(71,236)	(8,336)	(178,001)	(1,097,537)
Net book value	177,078	259,465	139,362	19,947	3,782	2,397	197,002	799,033
<b>Year ended 30 September 2021</b>								
Opening net book value	177,078	259,465	139,362	19,947	3,782	2,397	197,002	799,033
Additions	-	20,000	13,803	80,970	-	-	34,369	149,142
Disposals	-	-	-	(32)	-	-	-	(32)
Depreciation charge	-	(12,460)	(24,024)	(7,272)	(575)	(246)	(16,441)	(61,019)
Closing net book value	177,078	267,004	129,141	93,613	3,207	2,151	214,930	887,124
<b>At 30 September 2021</b>								
- Cost	177,078	514,524	699,895	143,437	75,018	10,733	409,372	2,030,057
- Valuation	-	-	-	-	-	-	-	-
Accumulated depreciation	-	(247,520)	(570,754)	(49,824)	(71,811)	(8,582)	(194,442)	(1,142,933)
Net book value	177,078	267,004	129,141	93,613	3,207	2,151	214,930	887,124

The licensed premises and golf course located at Clift Street, Heddon Greta are the core property of the Club.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED 30 SEPTEMBER 2021**

**NOTE 10: NON CURRENT ASSETS – RIGHT OF USE ASSET**

The companies lease portfolio includes equipment.	2021	2020
This lease has a term of 2.5 years remaining.	\$	\$
Leased equipment	15,849	15,849
Less accumulated depreciation	(3,170)	(1,585)
	<u>12,679</u>	<u>14,264</u>

**AASB 16 related amounts recognised in the statement**

Amortisation change related to right of use assets	1,585	1,585
Interest expense on lease liabilities	104	139
Short-term expense	-	-

**NOTE 11: CURRENT LIABILITIES – PAYABLES**

Unsecured Liabilities		
Sundry creditors, accrued expenses and GST	80,433	67,480
Employee entitlements	196,698	204,598
	<u>277,131</u>	<u>272,078</u>

**NOTE 12: BORROWINGS**

**CURRENT**

– John Deere Credit Ltd	<b>12(a)</b>	-	6,330
– AON Funding Solutions	<b>12(b)</b>	23,264	12,209
TOTAL BORROWINGS		<u>23,264</u>	<u>18,539</u>

**a)** The John Deere loan is secured over the equipment financed.

**b)** The AON funding loan is unsecured short term funding of the club's insurance premium.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	2021	2020
	\$	\$
<b>NOTE 13: LIABILITIES – LEASE LIABILITIES</b>		
CURRENT		
Lease - Multiply	3,600	3,600
	<hr/>	<hr/>
NON-CURRENT		
Lease - Multiply	5,293	8,788
	<hr/>	<hr/>

The leases relate to phone system and were recognised in accordance with AASB16 on 1 October 2020. The remaining term is 30 months.

**NOTE 14: PROVISIONS**

CURRENT LIABILITIES

Putt for cash	3,595	885
Joker draw	6,290	6,250
	<hr/>	<hr/>
	9,885	7,135
	<hr/>	<hr/>

**NON- CURRENT LIABILITIES**

Employee entitlements	11,823	701
	<hr/>	<hr/>

**NOTE 15: CURRENT LIABILITIES – SUBSCRIPTIONS IN ADVANCE**

Subscriptions in advance	85,606	90,090
	<hr/>	<hr/>

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

	2021	2020
<b>NOTE 16: CASH FLOW INFORMATION</b>	<b>\$</b>	<b>\$</b>
<b>a. Reconciliation of Cash</b>		
Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash on hand	21,235	18,576
Cash at bank	368,543	267,745
Cash at bank – savings account	98,439	147,033
	<u>488,217</u>	<u>433,354</u>

**b. Reconciliation of Cash Flow from Operations with Profit from ordinary activities after income tax**

Profit from ordinary activities after income tax	138,947	415,310
Non-cash flows in profit from ordinary activities:		
— Depreciation	62,604	59,298
— Loss on disposal of property, plant and equipment	32	469
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Decrease/(Increase) in receivables	26,894	(23,412)
Decrease/(Increase) in prepayments	(34,258)	35,504
(Increase)/decrease in inventories	(5,885)	3,111
(Decrease)/Increase in payables	5,053	16,417
Increase/(decrease) in subscriptions in advance	(4,484)	10,772
Increase/(decrease) in provisions	13,872	210
Cash flows from operations	<u>202,775</u>	<u>517,679</u>

**c. Non-Cash Financing and Investing Activities**

The company did not have any non cash transactions during the year.

**d. Credit Stand-by Arrangements and Loan Facilities**

The company has an overdraft facility of \$50,000.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**30 SEPTEMBER 2021**

**NOTE 17: RELATED PARTY TRANSACTIONS**

The company's main related parties are as follows:

**a. Key Management Personnel of the Club**

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director (whether executive or otherwise) of the company, is considered key management personnel. Refer to Note 4.

**b. Other Related Parties of the Company**

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.

**Transactions and Outstanding Balances 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. There were no related party transactions during the year.

**NOTE 18: COMPANY DETAILS**

The principal place of business is: Clift Street Heddon Greta NSW.

**NOTE 19: AFTER BALANCE DATE EVENTS**

During the year the company sought expressions of interest for amalgamation. From the submissions received the directors selected Kurri Kurri Bowling Club Limited as the most suitable application. At the date of this report a Memorandum of Understanding is being drafted for presentation to the members.



**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**DIRECTORS' DECLARATION**

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 6 to 24 are in accordance with the Corporations Act 2001:
  - a. Comply with Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001; and
  - b. give a true and fair view of the financial position as at 30 September 2021 and of the performance for the year ended on that date of the company.
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director

.....

Dated this

day of January, 2022

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF**  
**KURRI GOLF CLUB LIMITED**  
**Report on the Financial Report**

**Opinion**

I have audited the accompanying financial report of Kurri Golf Club Limited which comprises the statement of financial position as at 30 September 2021 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In my opinion, the financial report of Kurri Golf Club Limited has been prepared in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 30<sup>th</sup> September, 2021, and of its financial performance for the year then ended; and
- (b) complying with the Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

**Basis for Opinion**

I have conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial Reports section of my report. I am independent of the registered entity in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Kurri Golf Club Limited, would be in the same terms if given to the directors as at the time of this audit report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Emphasis of Matter**

We draw your attention to Note 1(b) Covid-19 Pandemic to the financial statements, which describes the uncertainties and possible effect on Kurri Golf Club Limited arising from its management of the ongoing issues related to Covid-19. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
KURRI GOLF CLUB LIMITED  
Report on the Financial Report**

**Responsibilities of Directors and Those Charged with Governance for the Financial Report**

Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the Corporations Act 2001, and for such internal control as Directors determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, where due to fraud or error.

In preparing the financial report, 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 Directors either intends to liquidate the company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

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

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain profession scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
KURRI GOLF CLUB LIMITED  
Report on the Financial Report**

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

- Obtaining an understanding of internal control relevant to the audit in order to design and audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MARK WALMSLEY

Mark Walmsley

Date            January, 2022

16 Dunbar Street  
STOCKTON NSW 2295

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

## **COMPILATION REPORT TO KURRI GOLF CLUB LIMITED**

On the basis of the information provided by the directors of Kurri Golf Club Limited, I have compiled, in accordance with APS 9: Statement of Compilation of Financial Reports the special purpose financial report consisting of the profit and loss account, bar trading account, poker machine trading account and the kitchen trading account for year ended 30 September 2021.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. The extent to which Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The company's directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to meet the needs of the directors.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, I do not accept liability for any loss or damage which any person other than the entity may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was prepared exclusively for the benefit of the company. I do not accept responsibility to any other person for the contents of the special purpose financial report.

PO Box 379  
CESSNOCK NSW 2325

Dated January, 2022

LAIDLAW & ASSOCIATES

*Joanne Laidlaw*  
Joanne Laidlaw

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
<b>INCOME</b>	<b>\$</b>	<b>\$</b>
Gross profit on trading	109,049	53,414
Commission received	3,468	2,459
Green fees	176,405	117,709
Members subscriptions	282,486	257,598
Keno commissions	10,938	9,907
Interest received	908	1,127
Club hire	439	695
Sundry income	4,485	2,546
Donations and sponsorship	18,807	18,161
Competition revenue	344,232	327,521
Diesel fuel rebate	3,572	2,016
Raffle income	39,086	26,694
Labour hire	7,707	-
Grant income	9,091	16,311
Compensation - Hunter Land Holdings	-	250,000
Insurance recovery	80,682	1,682
Wage subsidy	7,816	-
Jobkeeper and Covid support	49,745	261,142
<b>Total Income</b>	<b>1,148,916</b>	<b>1,348,982</b>
Less: Expenses		
Accountancy and auditing fees	16,162	13,975
Affiliation fees	29,313	28,719
Bank charges	2,133	1,794
Cleaning wages	20,660	18,179
Clubhouse maintenance	29,343	29,863
Course maintenance	122,492	119,586
Green wages	276,018	231,023
Depreciation and amortisation	55,332	52,501
Donations	1,225	309
Electricity and gas	32,845	33,207
General	-	594

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Less: Expenses (cont'd)		
Insurance	45,853	39,744
Interest	2,148	3,770
Keno expenses	514	470
Legal fees	945	-
Loss on disposal of asset	32	469
Printing, stationery and advertising	8,211	7,252
Professional fees	78,429	74,085
Promotions	15,413	5,660
Provision for employee leave	3,223	9,501
Raffles and housie	16,367	12,770
Rates and taxes	21,039	15,057
Security costs	2,361	1,628
Sundry expenses	(3,775)	9,194
Superannuation fund contributions	49,052	40,810
Telephone	1,382	4,412
Trophies	83,931	70,948
Uniforms	1,350	978
Wages – administration	97,971	84,431
Wages – jobkeeper topup	-	22,743
Total Expenses	<u>1,009,969</u>	<u>933,672</u>
Operating Profit/(Loss)	<u>138,947</u>	<u>415,310</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**BAR TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Sales	283,222	234,816
Less: Cost of Goods Sold		
Opening stock	15,424	19,805
Purchases	125,177	100,723
Freight	1,706	1,397
	<u>142,307</u>	<u>121,925</u>
Closing stock	18,219	15,424
Cost of goods sold	<u>124,088</u>	<u>106,501</u>
Gross Profit	159,134	128,315
Gross Profit Percentage	56.2%	54.6%
Less: Direct costs		
Bar wages	<u>76,693</u>	<u>71,964</u>
Net Profit	<u>82,441</u>	<u>56,351</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.



**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**POKER MACHINE TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Net poker machine takings	37,952	21,172
Add: GST rebate on poker machine income	3,691	4,657
	<u>41,643</u>	<u>25,829</u>
Less: Direct costs		
Poker machine maintenance	8,534	7,415
Depreciation – poker machines	7,272	6,797
Poker machine wages	8,521	7,996
	<u>24,327</u>	<u>22,208</u>
Net Profit	<u>17,316</u>	<u>3,621</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.

**KURRI GOLF CLUB LIMITED**  
**ABN 49 795 641 877**

**KITCHEN TRADING ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Sales	88,206	80,029
Less: Cost of Goods Sold		
Opening stock	1,000	1,000
Purchases	49,166	61,265
	<u>50,166</u>	<u>62,265</u>
Closing stock	1,000	2,200
Cost of goods sold	<u>49,166</u>	<u>60,065</u>
Gross Profit	39,040	19,964
Gross Profit Percentage	44.3%	24.9%
Less: Direct costs		
Kitchen wages	<u>29,748</u>	<u>26,522</u>
Net Profit	<u>9,292</u>	<u>(6,558)</u>

This Revenue Account does not form part of the audited financial report and should be read in conjunction with the attached compilation report.