

# Hunters Hill Club Limited

ABN: 80 000 976 590

## Financial Statements

For the Year Ended 30 June 2021

The registered office and principal place of business of the Company is:

Hunters Hill Club Limited

14 Madeline Street

Hunters Hill, NSW 2110

# Hunters Hill Club Limited

ABN: 80 000 976 590

## Contents

### For the Year Ended 30 June 2021

	Page
<b>Financial Statements</b>	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	6
Statement of Profit or Loss and Other Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Statement of Cash Flows	10
Notes to the Financial Statements	11
Directors' Declaration	20
Independent Audit Report	21

## **Directors' Report**

**30 June 2021**

The Directors present their report on Hunters Hill Club Limited ('the Club') for the financial year ended 30 June 2021.

### **General Information**

The COVID-19 pandemic has significantly impacted the Club's operating activities for the past two years. This Annual Report for the year ended 30 June 2021 and the 2020 comparative information must be viewed in this unusual light.

The financial year began with a resumption of trading activities, however, trading was subdued and substantial additional COVID related costs were necessarily incurred by the Club to comply with public health orders. Just as business was returning to some level of normality, the Club was closed in August 2020 and again in September 2020 as a COVID exposure site. Recovery from these events across all of the Club's operating centres was restrained.

In compliance with public health orders, the Club's bistro, bar and gaming facilities were completely shut down in June 2021 and tennis and bowling activities were reduced to limited exercise sessions.

Despite the constraints imposed by public health orders, the Club, admirably led by our Secretary Manager Jim Granger, has maintained a takeaway food and beverage service and has continued to provide the Club's tennis and bowling facilities, in compliance with the Club's COVID safety policy, as a much appreciated outlet for the use by Members and their guests for exercise during the lock down periods.

Another significant development has been the refurbishment of the beer garden area near the tennis courts with improved access, sandstone paving, new furniture, gardens and lawn. The other gardens and lawn areas around the Club are in pristine condition and are a testament to our groundsman, John Owens.

The Directors acknowledge and thank the Club's staff, our tennis coaches, our caterers, Jim Granger and John Owens for their work, support and flexibility in keeping the Club safely operational during this very difficult period.

With the easing of COVID-19 restrictions in the hospitality industry, subsequent to the end of the financial year all of the Club's profit centres have shown significantly improved operating performances the Club has returned profitability.

It is pleasing to note that the Club's membership has increased by 24%, from 1,868 Members to 2,313 Members from 30 June 2020 to 30 June 2021. The Directors also acknowledge the support of all the Members during this difficult year and we look forward to the future with optimism.

**Directors' Report****30 June 2021****Information on Directors**

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

<b>Name</b>	<b>Qualifications</b>	<b>No. of years as a Member</b>	<b>Special Responsibilities</b>	<b>Period as a Director</b>
Steven Blaney	Company Director	5	Chair, finance, Investment Committee and administration	18/11/18 and continuing
Nicole Grech	Company Director	3	Human resources	18/11/18 and continuing
Joe Hurley	Company Director	10	Legal	1/12/15 and continuing
Mark Lomax	Company Director	7	Property maintenance	18/11/18 and continuing
Vanessa Maher	Insurance Executive	2	Insurance and Investment Committee	29/11/20 and continuing
Peter Nightingale	Company Director	7	Finance, Investment Committee and administration	2/09/17 and continuing
Glen Norris	Sales and Marketing Manager	16	Membership	20/11/16 and continuing

**Meetings of Directors**

During the financial year, 12 meetings of Directors were held. Attendances by each Director during the year were as follows:

<b>Directors' Meetings</b>		
	<b>Number eligible to attend</b>	<b>Number attended</b>
Steven Blaney	12	12
Nicole Grech	12	11
Joe Hurley	12	10
Mark Lomax	12	10
Vanessa Maher	12	12
Peter Nightingale	12	5
Glen Norris	12	12

**Company Secretary**

Jim Granger held the position of Secretary Manager for the entire year.

**Principal Activities**

The principal activity of Hunters Hill Club Limited during the financial year was that of a Registered Club and the promotion and provision of bowling, tennis and social amenities to Members and their guests.

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

## Directors' Report

30 June 2021

### Operating Performance

The Company has five profit centres and an additional cost centre for general and administration costs which are not allocated to any of the profit centres. A summary of the Company's operating performance for the financial year ended 30 June 2021 is summarised as follows:

	2021 \$	2020 \$
<b>Bar Trading</b>		
Revenue	1,216,315	621,138
Expenses	<b>(965,904)</b>	(495,861)
Gross profit	<b>250,411</b>	125,277

Whilst bar sales for the year ended 30 June 2021 were partly impacted by the COVID-19 pandemic, 2020 was more significantly impacted with on-site alcohol sales being prohibited for approximately one quarter of the year. The gross profit percentage of 20.6% (2020 – 20.2%) from bar trading is relatively consistent.

### Bistro

Revenue	129,824	98,689
Expenses	<b>(36,464)</b>	(12,419)
Gross profit	<b>93,360</b>	66,780

Revenue from the Bistro is a fixed rental charge and it should be noted that salaries paid to Club staff are not apportioned to the Bistro expenses.

### Bowls

Revenue	77,922	59,641
Expenses	<b>(77,518)</b>	(64,372)
Gross loss	<b>404</b>	(4,731)

Despite the restriction on social gatherings imposed by the COVID-19 health and safety requirements, through innovative measures the Club was able to provide Members with the opportunity to use the bowling greens, in modified formats and in compliance with the frequently changing regulations.

### Tennis

Revenue	198,314	243,009
Expenses	<b>(152,053)</b>	(129,720)
Gross profit	<b>46,261</b>	113,289

Again, despite the restriction on social gatherings imposed by the COVID-19 health and safety requirements, through innovative measures the Club was able to provide Members with the opportunity to use the tennis courts, in modified formats and in compliance with the frequently changing regulations.

### Gaming

During the year ended 30 June 2021, Gaming returned a total net profit of \$67,794 (2020 – \$3,907) to the Club. With limited gaming turnover, the result from year to year will be subject to fluctuation based on the amount, and timing, of jackpot payouts.

**Directors' Report**

30 June 2021

	2021 \$	2020 \$
<b>General and Administration</b>		
Revenue		
- Interest income	23,111	80,138
- Membership fees	91,857	70,732
- Grants/sponsorships	143,500	129,485
- Other	7,224	6,817
	<b>265,692</b>	<b>287,172</b>
Expenses		
- Unallocated salaries and wages	212,362	152,829
- Repairs and maintenance	62,233	37,078
- Depreciation	185,518	189,513
- Utilities and rates	83,610	76,979
- Cleaning and waste removal	72,200	53,157
- Merchant fees	18,875	17,092
- Insurance	45,807	32,050
- Administration	71,500	70,652
- General expenses	38,503	92,673
	<b>790,608</b>	<b>722,023</b>

**Short Term Objectives**

The Company's short term and long term objectives are as follows:

- to promote and provide services of a registered club to Members and their guests to promote and provide lawn bowls facilities;
- to promote and provide tennis facilities; and
- to strive to become Sydney's leading boutique sporting and social club that Members and guests support, love and value for its history, location, facilities, service and role we play in the community.

**Strategy for Achieving the Objectives**

To achieve these objectives, the Company has adopted the following strategies:

- financial sustainability through profitable operations and optimum use of space and resources;
- delivery of outstanding service by building engaged team capabilities; and
- providing a local hub to cement our place in, and support for, our local community.

**Members' Guarantee**

The Company is incorporated under 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 towards meeting any outstandings and obligations of the Company. As at 30 June 2021 the number of Members was 2,313 (2020 - 1,868).

## **Directors' Report**

**30 June 2021**

### **Auditor's Independence Declaration**

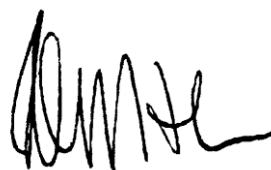
The Lead Auditor's Independence Declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2021 has been received and can be found on page 6 of the financial report.

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



Steven Blaney  
Chairman

25 October 2021



Peter Nightingale  
Director

ABN 65 155 188 837  
L14 309 Kent Street Sydney NSW 2000  
+61 2 9290 8515  
L24 570 Bourke Street Melbourne VIC 3000  
+61 3 8658 5928  
L14 167 Eagle Street Brisbane QLD 4000  
+61 7 3607 6379  
[www.lnpaudit.com](http://www.lnpaudit.com)

AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF HUNTERS HILL CLUB LIMITED

As lead auditor of Hunters Hill Club Limited for the period ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.

LNP Audit and Assurance Pty Ltd



Robert Nielson

Director

Sydney 25 October 2021



## Hunters Hill Club Limited

ABN: 80 000 976 590

### Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	4	<b>1,782,027</b>	1,097,116
Other income	4	<b>173,836</b>	216,440
Administration expenses		<b>(248,743)</b>	(268,377)
Employee benefits expense		<b>(826,260)</b>	(496,911)
Depreciation and amortisation		<b>(185,518)</b>	(189,513)
Repair and maintenance		<b>(122,278)</b>	(96,378)
Audit, legal and consultancy expense		<b>(73,448)</b>	(74,255)
Finance costs		<b>(6,093)</b>	(1,636)
Services expenditures		<b>(560,209)</b>	(316,815)
<b>Loss from continuing operations</b>		<b>(66,686)</b>	(130,329)
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(66,686)</b>	<b>(130,329)</b>

The accompanying notes form part of these financial statements.

# Hunters Hill Club Limited

ABN: 80 000 976 590

## Statement of Financial Position

As at 30 June 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		888,854	321,947
Trade and other receivables	5	10,654	74,356
Inventories	6	43,236	25,960
Other assets	10	47,068	8,137
<b>TOTAL CURRENT ASSETS</b>		<b>989,812</b>	430,400
<b>NON-CURRENT ASSETS</b>			
Investments	7	-	550,000
Property, plant and equipment	8	5,663,887	5,745,901
Intangible assets	9	59,018	59,018
Other assets	10	5,000	5,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5,727,905</b>	6,359,919
<b>TOTAL ASSETS</b>		<b>6,717,717</b>	6,790,319
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	111,698	80,886
Financial liabilities	12	-	12,108
Employee benefits	13	1,894	18,690
Deferred income		55,380	53,211
<b>TOTAL CURRENT LIABILITIES</b>		<b>168,972</b>	164,895
<b>NON-CURRENT LIABILITIES</b>			
Employee benefits	13	-	9,993
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>-</b>	9,993
<b>TOTAL LIABILITIES</b>		<b>168,972</b>	174,888
<b>NET ASSETS</b>		<b>6,548,745</b>	6,615,431
<b>EQUITY</b>			
Reserves	14	9,686,315	9,686,315
Retained earnings		(3,137,570)	(3,070,884)
<b>TOTAL EQUITY</b>		<b>6,548,745</b>	6,615,431

The accompanying notes form part of these financial statements.

## Hunters Hill Club Limited

ABN: 80 000 976 590

### Statement of Changes in Equity

For the Year Ended 30 June 2021

2020

	Retained Earnings/(Loss) \$	Asset Revaluation Surplus \$	Capital Profits Reserve \$	Artarmon Bowling Club Capital Reserve \$	Total \$
<b>Balance at 1 July 2019</b>	(2,940,555)	4,122,253	5,007,155	559,427	6,748,280
Transfer (to)/from reserve	-	-	-	(2,520)	(2,520)
Loss attributable to the entity	(130,329)	-	-	-	(130,329)
<b>Balance at 30 June 2020</b>	<b>(3,070,884)</b>	<b>4,122,253</b>	<b>5,007,155</b>	<b>556,907</b>	<b>6,615,431</b>

2021

	Retained Earnings \$	Asset Revaluation Surplus \$	Capital Profits Reserve \$	Artarmon Bowling Club Capital Reserve \$	Total \$
<b>Balance at 1 July 2020</b>	<b>(3,070,884)</b>	<b>4,122,253</b>	<b>5,007,155</b>	<b>556,907</b>	<b>6,615,431</b>
Transfer (to)/from reserve	-	-	-	-	-
Loss attributable to the entity	(66,686)	-	-	-	(66,686)
<b>Balance at 30 June 2021</b>	<b>(3,137,570)</b>	<b>4,122,253</b>	<b>5,007,155</b>	<b>556,907</b>	<b>6,548,745</b>

The accompanying notes form part of these financial statements.

## Hunters Hill Club Limited

ABN: 80 000 976 590

### Statement of Cash Flows For the Year Ended 30 June 2021

	2021	2020
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	1,932,752	1,232,947
Payments to suppliers and employees	(1,817,251)	(1,281,292)
Interest received	23,111	80,138
Interest paid	(6,093)	(1,636)
Net cash provided by operating activities	<u>132,519</u>	<u>30,157</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(103,504)	(173,173)
Receipts from syndicated investment loan	-	800,000
Receipts from/(Investment in) syndicated investment loan	550,000	(550,000)
Net cash provided by investing activities	<u>446,496</u>	<u>76,827</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Prize monies from capital reserves	-	(2,520)
Payment of hire purchase and leases	(12,108)	(30,244)
Net cash used in financing activities	<u>(12,108)</u>	<u>(32,764)</u>
Net increase in cash and cash equivalents held	566,907	74,220
Cash and cash equivalents at beginning of year	321,947	247,727
Cash and cash equivalents at end of financial year	<u>888,854</u>	<u>321,947</u>

The accompanying notes form part of these financial statements.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2021**

The financial report covers Hunters Hill Club Limited (the 'Company') as an individual entity. Hunters Hill Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Hunters Hill Club Limited is Australian dollars.

The financial report was authorised for issue by the Directors on 25 October 2021.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Basis of Preparation**

The financial statements are general purpose financial statements that comply with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. In the prior year, the financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Company as a result of the change in the basis of preparation.

As permitted by the amended AASB 1053 Application of Tiers of Australian Accounting Standards, the Company has not provided comparative information for those disclosures that it had not previously made in the notes of its general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

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.

#### **2 Summary of Significant Accounting Policies**

##### **(a) Income Tax**

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### **(b) Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

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

##### **(c) Revenue and other income**

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. Revenue is recognised by applying a five-step model as follows: (i) Identifying the contract with a customer; (ii) Identifying the performance obligations; (iii) Determining the transaction price; (iv) Allocating the transaction price to the performance obligations; and (v) Recognising revenue when/as performance obligation(s) are satisfied.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (cont.)

#### (c) Revenue and other income (cont.)

Principal revenues streams are recognised as follows:

##### ***Sale of goods***

Revenue is recognised at the point of sale when performance obligations are satisfied.

##### ***Rendering of services***

Revenue in relation to rendering of services is recognised when performance obligations of providing a service has been satisfied.

##### ***Other income***

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

#### (d) 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.

Receivables and payable 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.

#### (e) Inventories

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

#### (f) 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.

##### ***Land and buildings***

Land is recorded at Directors valuation based on a 1992 revaluation.

Buildings are measured using the cost model.

##### ***Plant and equipment***

Plant and equipment are measured using the cost model.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (cont.)

#### (f) Property, plant and equipment (cont.)

##### *Depreciation*

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

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	2.5%
Plant and Equipment	5% - 20%

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.

#### (g) Financial instruments

##### *Recognition*

The Company determines the classification of its financial instruments at initial recognition in accordance with the categories outlined below and re-evaluates this designation at each financial year end. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

*Financial assets measured at amortised cost.* Financial assets measured at amortised cost are non-derivative financial assets which are held to collect the contractual cash flows. The contractual terms of the financial assets give rise to payments on specified dates that are solely payments of principal and interest on the principal amount outstanding. They are included in current assets. The Company's financial assets measured at amortised cost comprise 'trade receivables', 'other receivables' and 'cash and cash equivalents'.

*Financial liabilities.* The Company's financial liabilities include trade payables and borrowings. These are measured subsequently at amortised cost using the effective interest method. The interest expense is calculated each reporting period by applying the effective interest rate, and the resulting charge is reflected in finance costs on the statement of profit and loss and comprehensive income.

##### *Impairment of financial assets*

Expected credit losses are recognised if required for trade receivables (excluding amounts due from brokers held at fair value through profit and loss), cash and cash equivalents and other receivables. Expected credit losses are calculated as the difference between the contractual cash flows that are due to the Company and the cash flows that the Company expects to receive given the probability of default and loss given default, discounted at the original effective interest rate.

#### (h) 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.

## Notes to the Financial Statements

For the Year Ended 30 June 2021

### 2 Summary of Significant Accounting Policies (Cont.)

#### (i) 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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

#### (j) New accounting standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable transactions.

### 3 Critical Accounting Estimates and Judgments

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:

*Receivables expected credit losses.* Management have assessed that receivables are not impaired.

*Going concern.* The ability of the Company to continue as a going concern is dependent upon the Company being able to manage its operations through the COVID-19 disruption. The Directors do not foresee any significant issues that will not be capable of being adequately managed, and accordingly the Company has presented its financial statements on the basis of going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the Company not continue as a going concern.



# Hunters Hill Club Limited

ABN: 80 000 976 590

## Notes to the Financial Statements For the Year Ended 30 June 2021

	2021	2020
	\$	\$
<b>4 Revenue and Other Income</b>		
<b>Revenue</b>		
- sale of goods	1,216,315	621,138
- rendering of services	473,855	405,246
- memberships	91,857	70,732
	<u>1,782,027</u>	<u>1,097,116</u>
<b>Other Income</b>		
- grants/sponsorships	143,500	129,485
- interest income	23,111	80,138
- miscellaneous income	7,225	6,817
	<u>173,836</u>	<u>216,440</u>
	<u>1,955,863</u>	<u>1,313,556</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade receivables	1,913	32,838
GST receivable	17,569	-
Government assistance	-	37,500
Other receivables	(8,828)	4,018
	<u>10,654</u>	<u>74,356</u>
<b>6 Inventories</b>		
<b>Current</b>		
Finished goods – at cost	43,236	25,960
	<u>43,236</u>	<u>25,960</u>
<b>7 Investments</b>		
<b>Non-current</b>		
Loan secured by first mortgage over real property	-	550,000
	<u>-</u>	<u>550,000</u>

# Hunters Hill Club Limited

ABN: 80 000 976 590

## Notes to the Financial Statements

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
<b>8 Property, Plant and Equipment</b>		
<b>Land</b>		
Freehold land – at 1992 independent valuation	<u>4,330,171</u>	4,330,171
<b>Buildings</b>		
Buildings – at cost	2,027,593	1,954,948
Accumulated depreciation	<u>(800,767)</u>	<u>(712,352)</u>
	<u>1,226,826</u>	1,242,596
<b>Plant and Equipment</b>		
Plant and equipment – at cost	1,245,261	1,214,402
Accumulated depreciation	<u>(1,138,371)</u>	<u>(1,041,268)</u>
	<u>106,890</u>	173,134
	<u>5,663,887</u>	<u>5,745,901</u>

### Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>Year ended 30 June 2021</b>				
Balance at the beginning of year	4,330,171	1,242,596	173,134	5,745,901
Additions	-	72,645	30,859	103,504
Disposal	-	-	-	-
Depreciation expense	-	(88,415)	(97,103)	(185,518)
<b>Balance at the end of the year</b>	<u>4,330,171</u>	<u>1,226,826</u>	<u>106,890</u>	<u>5,663,887</u>
	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>Year ended 30 June 2020</b>				
Balance at the beginning of year	4,330,171	1,150,807	335,118	5,816,096
Additions	-	170,030	3,143	173,173
Disposal	-	(367)	(53,488)	(53,855)
Depreciation expense	-	(77,874)	(111,639)	(189,513)
<b>Balance at the end of the year</b>	<u>4,330,171</u>	<u>1,242,596</u>	<u>173,134</u>	<u>5,745,901</u>

# Hunters Hill Club Limited

ABN: 80 000 976 590

## Notes to the Financial Statements

For the Year Ended 30 June 2021

	2021	2020
	\$	\$
<b>9 Intangible Assets</b>		
<b>Non-current</b>		
Poker machine entitlements – at cost	<u>59,018</u>	59,018
<b>10 Other Assets</b>		
<b>Current</b>		
Prepayments	<u>47,068</u>	8,137
<b>Non-current</b>		
Deposits	<u>5,000</u>	<u>5,000</u>
<b>11 Trade and Other Payables</b>		
<b>Current</b>		
Trade payables	87,515	51,027
GST payable	-	3,830
Accrued expense	13,312	11,975
Other payables	<u>10,871</u>	<u>14,054</u>
	<u>111,699</u>	<u>80,886</u>
<p>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.</p>		
<b>12 Financial Liabilities</b>		
<b>Current</b>		
Lease liability – secured	<u>-</u>	<u>12,108</u>
<p>Leased liabilities are secured by the underlying leased assets.</p>		
<b>13 Employee Benefits</b>		
<b>Current</b>		
Long service leave	-	3,079
Annual leave	<u>1,894</u>	<u>15,611</u>
	<u>1,894</u>	<u>18,690</u>
<b>Non-current</b>		
Long service leave	<u>-</u>	<u>9,993</u>

## Hunters Hill Club Limited

ABN: 80 000 976 590

### Notes to the Financial Statements

For the Year Ended 30 June 2021

2021	2020
\$	\$

#### 14 Reserves

The asset realisation reserve records realised gains on sale of non-current assets.

The capital profits reserve records profits on sale of selected property, plant and equipment.

The ABC Fund capital reserve records the funds that have been earmarked for the development and maintenance of bowls at the Hunters Hill Club. The funds are restricted in their usage and at 30 June 2021 are held as cash and cash equivalents.

#### 15 Lease Commitments

##### Finance leases

Minimum lease payments:

- not later than one year	-	12,108
- between one year and five years	-	-
	<hr/>	<hr/>
	-	12,108

#### 16 Members' Guarantee

The Company is incorporated under 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 \$2.00 each towards meeting any outstandings and obligations of the Company. At 30 June 2021 the number of Members was 2,313 (2020 - 1,868).

#### 17 Key Management Personnel Remuneration

The Key Management Personnel are the Secretary Manager and payments to Directors and their related entities. The totals of remuneration paid to the Key Management Personnel of Hunters Hill Club Limited during the year are as follows:

Short-term employee benefits	<b>204,078</b>	119,745
Post-employment benefits	-	5,886
	<hr/>	<hr/>
	<b>204,078</b>	125,631

#### 18 Auditor's Remuneration

Remuneration of the auditor of the Company, LNP Audit and Assurance Pty Ltd:

- auditing the financial statements	<hr/>	<hr/>
	20,000	18,000

The auditor provides no other services to the Company

## Hunters Hill Club Limited

ABN: 80 000 976 590

# Notes to the Financial Statements

For the Year Ended 30 June 2021

### 19 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2021 (2020 - nil).

### 20 Related Parties

The Company's main related parties are the Directors and their related entities and Key Management Personnel – refer to Note 17.

### 21 Events after the end of the Reporting Period

With the easing of COVID-19 restrictions in the hospitality industry, subsequent to the end of the financial year all of the Club's profit centres have shown significantly improved operating performances the Club has returned profitability.

Other than the above, 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.

## Hunters Hill Club Limited

ABN: 80 000 976 590

### Directors' Declaration

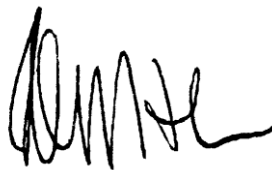
The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 7 to 19, are in accordance with the *Corporations Act 2001* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 30 June 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.



Steven Blayney  
Chairman



Peter Nightingale  
Director

Dated 25 October 2021

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HUNTERS HILL CLUB LIMITED

### Report on the Audit of the Financial Report

#### **Opinion**

We have audited the financial report of Hunters Hill Club Limited, (the Company), which comprises the statement of financial position as at 30 June 2021, 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, notes comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration of the Company.

In our opinion:

The financial report of Hunters Hill Club Limited has been prepared in accordance with the *Corporations Act 2001*, including:

1. Giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
2. 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 Statements section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES110 Code of Ethics for Professional Accountants (including Independence Standards)(the Code) that are relevant to our audit of the financial report in Australia; and we have 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 comprises the information included in the annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and 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 upon the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## ***Directors' Responsibilities***

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 cease operations, or have no realistic alternative but to do so.

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

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

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting in the preparation of the financial report. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. However, future events or conditions may cause an entity 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 statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We are also required to provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

The engagement partner on the audit resulting in this independent auditor's report is Robert Nielson.

LNP Audit and Assurance Pty Ltd

A handwritten signature in black ink, appearing to be 'RN', with a stylized flourish at the end.

Robert Nielson

Director

Sydney

25 October 2021