

# 2023 ANNUAL REPORT



THE GRANGE

WINE • MEETINGS • EVENTS



## OUR VISION

To be the leading venues in quality hospitality and customer service, financially secure and socially responsible.

## OUR MISSION

To provide our members, guests and visitors with outstanding hospitality and leisure experiences and to support our local region by being a major employer of choice and by helping local sporting and community orientated organisations.



# PRESIDENT'S REPORT

Anthony O'Donnell

It gives me great pleasure to present the 2023 President report.

Dapto leagues club commenced in 1955 with a small member base of a few hundred members. Today your club has over 26,000 members enjoying our fine facilities and generates some \$30 Million in revenue.

Financially your club is in a strong position for the future. We have a huge expansion program to commence in coming years that will make your club the standout club in the Illawarra.

After trading strongly for the last year, it is very pleasing to report a near record profit of \$3,154,017.

This is only due to the hard work of the management team led by our Chief Executive Officer David Hiscox, his team and your Board of Directors who have worked extremely hard to achieve this goal. David and his team have done a tremendous job of always presenting guidance to the board to make your club the best we can, and always looking to the future for improvements.

The club continues to support our 2530 area not only our sporting teams, also community groups and community causes. Our support and grant's totalled circa \$747,000 for the year.

To my Board of Directors, thank you for your support and hard work to make sure our club remains the leader in hospitality and service. Many of the directors have long tenures and all give freely of their time to make sure your club remains vibrant and a family friendly place to come to.

Our staff are so important to our club, you are the face of the club, you make our club what it is, a big thank you from the board. Also, a big thanks to our Executive Chef Donald and his staff for presenting great food in our beautiful restaurant The Mill.

The Grange continues to draw high praise for the course, and of course the wonderful reception facility for weddings and functions. To Scott and the team well done on a great job.

After 52 years of being involved with the Dapto club in some form or other, I have decided to pass the baton on to the next leaders. It has been a pleasure to serve as a director for 18 years the past 6 as the President. I have made many friends amongst you and thank you all.

To all of you our members, I wish you good health and a great 2024.

Anthony O'Donnell

# OUR COMMUNITY

## COMMUNITY GRANTS

We are part of and support a range of organisations and initiatives within both our local and wider community, this is central to our ethos of social responsibility.

We have proudly given \$747,000 in cash and in kind donations to various charities, local projects and community groups in 2023.

### CLUBGRANTS 2023 CATEGORY 1 FUNDING COMMITMENT

Green Connect  
Raise Foundation  
The Smith Family  
CareWays Community Ltd  
St Vincent De Paul Dapto  
The Top Blokes Foundation  
Learning Links

Lifeline South Coast  
Healthy Cities Illawarra  
Rotary Club of Dapto  
**These organisations and the many other we contribute to could not provide adequate services to our community without our financial support**

### SPORTING AND OTHER COMMUNITY GRANTS

We're active people - which makes sense given our sporting history. We are active supporters of our local sporting & community groups including:

Dapto Chiefs Baseball Club Inc  
DAPTO CRICKET CLUB INC  
Dapto Hockey  
Dapto JRLFC  
Dapto Leagues Club Squash Club  
Dapto Lions  
Dapto Little Athletics  
Dapto Netball Club Inc  
Dapto Phoenix FC  
Dapto Swimming Club  
Football South Coast  
Lakeside Lions JFC  
Wollongong Branch NSW GBOTA

The Smith Family  
The Cancer Council NSW  
Anglican Community Services  
Business Dapto  
Dapto Classic Car Club  
Dapto Combined Probus  
Dapto Regional Probus Club Inc.  
Dapto Rugby League  
Dapto Seniors  
Illawarra Numismatic Association Inc  
Rotary Club of Dapto  
Wollongong Harmony Chorus

# **DAPTO LEAGUES CLUB LTD**

ABN 52 001 020 480

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## **ANNUAL FINANCIAL REPORT 30 JUNE 2023**

# Dapto Leagues Club Ltd

## Directors' Report

The directors present their report, together with the financial statements of Dapto Leagues Club Ltd (the company) for the year ended 30 June 2023.

### Directors

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

| Name  | Occupation               | Period of directorship (years) |
|---|--------------------------|--------------------------------|
| Anthony O'Donnell                               | Retired                  | 18                             |
| David Smith                                     | Retired                  | 24                             |
| Michael Clark                                   | Retired                  | 24                             |
| Edward Bate                                     | Retired                  | 30                             |
| Ron Adams                                       | Retired                  | 10                             |
| David Jones                                     | Senior Operations Leader | 6                              |
| Tony Bullman (resigned 31 January 2023)         | Retired                  | 5                              |
| Rob Kirkwood                                    | National Sales Manager   | 4                              |
| Gary Tozer                                      | Retired                  | 49                             |
| Alex Constandinidis (appointed 31 January 2023) | Maintenance Officer      | 1                              |

### Directors' meetings

The number of meetings of the company's Board of Directors (the Board) and of each board committee held during the year ended 30 June 2023, and the number of meetings attended by each director were:

| Director            | BOARD MEETINGS              |                          |
|---------------------|-----------------------------|--------------------------|
|                     | Number of Meetings Attended | Number of Meetings Held* |
| Anthony O'Donnell   | 10                          | 12                       |
| David Smith         | 9                           | 12                       |
| Michael Clark       | 12                          | 12                       |
| Edward Bate         | 12                          | 12                       |
| Ron Adams           | 9                           | 12                       |
| David Jones         | 10                          | 12                       |
| Tony Bullman        | 7                           | 7                        |
| Rob Kirkwood        | 10                          | 12                       |
| Gary Tozer          | 9                           | 12                       |
| Alex Constandinidis | 4                           | 5                        |

\* Number of meetings held during the time the director held office during the year.

# Dapto Leagues Club Ltd

## Directors' Report

### Membership

The company is a company limited by guarantee and is without share capital. The number of members as at 30 June 2023 and the comparison with last year is as follows:

|          | 2023   | 2022   |
|----------|--------|--------|
| Ordinary | 26,903 | 25,125 |
| Life     | 13     | 13     |
|          | <hr/>  | <hr/>  |
|          | 26,916 | 25,138 |
|          | <hr/>  | <hr/>  |

### Members' limited liability

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter. The total liability in the event of winding up is \$53,832 (2022: 50,276).

### Operating result

The table below shows a reconciliation of earnings before interest, income tax, depreciation, amortisation and impairment losses (EBITDA).

|   | 2023<br>\$ | 2022<br>\$ |
|---|------------|------------|
| Net profit after income tax expense attributable to members | 3,154,017  | 1,380,807  |
| Add back:   |            |            |
| Depreciation and amortisation expense                       | 2,567,795  | 2,555,287  |
| Finance costs   | 94,059     | 187,109    |
| Loss on disposal of property, plant and equipment           | -          | -          |
|   | <hr/>      | <hr/>      |
| EBITDA  | 5,815,871  | 4,123,203  |
|   | <hr/>      | <hr/>      |

### Objectives

The short and long term objective for the club is to continue to trade successfully by delivering quality food, beverages, gaming, golfing and function facilities whilst meeting community needs.

# Dapto Leagues Club Ltd

## Directors' Report

### Strategy for achieving the objectives

1. **Capture the Local Market**  
Develop a clear understanding of how the local market is changing, and what its future needs will be.
2. **Growing Market**  
Ensure the club has the capacity to capture and meet the needs of its growing market.
3. **Execute Masterplan**  
Develop and commence the masterplan for the main venue that will ensure the club is placed to meet the needs of its growing and changing market.
4. **Financial Strength**  
Improve the club's financial strength and, in turn, its ability to fund and execute the masterplan.
5. **Strong Governance**  
Assess the current governance framework and determine what change is required to ensure the ongoing success of the club.

### Principal activities

The principal activities of the company during the financial year were those of a leagues club and golf club. No significant change in the nature of these activities occurred during the year.

### Performance measurement and key performance indicators

The club uses industry accepted KPIs and budget tracking to monitor performance in terms of service delivery to members, financial results and liquidity levels.

### 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.

Signed in accordance with a resolution of the directors.

Dated at Dapto the 31<sup>st</sup> day of October 2023.



Anthony O'Donnell  
President

## DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF DAPTO LEAGUES CLUB LTD

As lead auditor of Dapto Leagues Club Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of 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.



Clayton Eveleigh  
Director

BDO Audit Pty Ltd

Sydney, 31<sup>st</sup> October 2023

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## INDEPENDENT AUDITOR'S REPORT

To the members of Dapto Leagues Club Limited

### Report on the Audit of the Financial Report

#### Opinion

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

In our opinion the accompanying financial report of Dapto Leagues Club Limited, 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 June 2023 and of its financial performance for the year ended on that date; 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 *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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 information included in the Directors' 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 the 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 has 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

**BDO Audit Pty Ltd**



Clayton Eveleigh  
Director

Sydney, 31<sup>st</sup> October 2023

## Dapto Leagues Club Ltd Directors' Declaration

The directors of the company declare that:

- (a) In the Directors' opinion the financial report and notes set out on pages 9 to 30 are in accordance with the *Corporations Act 2001*, including:
  - (i) Giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance, for the financial year ended on that date; and
  - (ii) Complying with Australian Accounting Standards - Simplified Disclosures; the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 295 (5)(a) of the *Corporations Act 2001*.

Dated at Dapto on 31<sup>st</sup> October 2023.

A handwritten signature in black ink, appearing to read 'A O'Donnell', with a stylized flourish at the end.

Anthony O'Donnell  
President

# Dapto Leagues Club Ltd

## Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2023

|   | Note | 2023<br>\$   | 2022<br>\$   |
|---|------|--------------|--------------|
| <b>Revenue and other income</b>                     |      |              |              |
| Sale of goods revenue                               |      | 11,046,531   | 7,048,334    |
| Rendering of services revenue                       |      | 19,466,139   | 14,095,586   |
| Other income  |      | 136,839      | 800,704      |
|   |      | <hr/>        | <hr/>        |
| Total revenue and other income                      | 1    | 30,649,509   | 21,944,624   |
|   |      | <hr/>        | <hr/>        |
| <b>Expenses</b>                                     |      |              |              |
| Raw materials and consumables used                  |      | (4,311,814)  | (2,775,815)  |
| Employee benefits expense                           |      | (9,155,034)  | (6,892,853)  |
| Depreciation and amortisation                       |      | (2,567,795)  | (2,555,287)  |
| Finance costs                                       |      | (94,059)     | (187,109)    |
| Grants paid   |      | (342,969)    | (208,655)    |
| Donations   |      | (2,278)      | (625)        |
| Sponsorship expenses                                |      | (404,045)    | (397,092)    |
| Marketing and promotional expenses                  |      | (1,561,269)  | (1,128,537)  |
| Poker machine licences and taxes                    |      | (4,092,056)  | (2,702,244)  |
| Occupancy expenses                                  |      | (1,501,353)  | (1,300,979)  |
| Repairs and maintenance                             |      | (237,447)    | (189,071)    |
| Subscriptions                                       |      | (510,018)    | (294,949)    |
| Other expenses                                      |      | (2,715,355)  | (1,930,601)  |
|   |      | <hr/>        | <hr/>        |
| Total expenses                                      |      | (27,495,492) | (20,563,817) |
|   |      | <hr/>        | <hr/>        |
| Profit before income tax                            |      | 3,154,017    | 1,380,807    |
| Income tax expense                                  | 2    | -            | -            |
|   |      | <hr/>        | <hr/>        |
| Net profit after income tax expense                 |      | 3,154,017    | 1,380,807    |
|   |      | <hr/>        | <hr/>        |
| Other comprehensive income for the year, net of tax |      | -            | -            |
|   |      | <hr/>        | <hr/>        |
| Total comprehensive income for the year             |      | 3,154,017    | 1,380,807    |
|   |      | <hr/>        | <hr/>        |

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 32.

**Dapto Leagues Club Ltd**  
**Statement of Financial Position**  
**As at 30 June 2023**

|                                      | <b>Note</b> | <b>2023</b><br><b>\$</b> | <b>2022</b><br><b>\$</b> |
|--------------------------------------|-------------|--------------------------|--------------------------|
| <b>ASSETS</b>                        |             |                          |                          |
| <b>Current Assets</b>                |             |                          |                          |
| Cash and cash equivalents            |             | 1,447,983                | 1,355,777                |
| Inventories                          |             | 441,029                  | 399,208                  |
| Other current assets                 |             | 294,129                  | 599,027                  |
| <b>Total Current Assets</b>          |             | <b>2,183,141</b>         | <b>2,354,012</b>         |
| <b>Non-Current Assets</b>            |             |                          |                          |
| Financial assets                     |             | 750                      | 750                      |
| Property, plant and equipment        | 3           | 49,217,004               | 49,899,243               |
| Intangible assets                    | 4           | 999,800                  | 1,021,059                |
| <b>Total Non-Current Assets</b>      |             | <b>50,217,554</b>        | <b>50,921,052</b>        |
| <b>Total Assets</b>                  |             | <b>52,400,695</b>        | <b>53,275,064</b>        |
| <b>LIABILITIES</b>                   |             |                          |                          |
| <b>Current liabilities</b>           |             |                          |                          |
| Trade and other payables             | 5           | 1,558,897                | 2,056,928                |
| Financial liabilities                | 7           | 537,057                  | 1,548,612                |
| Employee benefits                    | 6           | 1,523,608                | 1,391,184                |
| Other provisions                     |             | 80,851                   | 67,853                   |
| Income received in advance           |             | 508,023                  | 165,385                  |
| <b>Total Current Liabilities</b>     |             | <b>4,208,436</b>         | <b>5,229,962</b>         |
| <b>Non-Current Liabilities</b>       |             |                          |                          |
| Financial liabilities                | 7           | 74,984                   | 3,112,040                |
| Employee benefits                    | 6           | 153,959                  | 123,763                  |
| <b>Total Non-Current Liabilities</b> |             | <b>228,943</b>           | <b>3,235,803</b>         |
| <b>Total Liabilities</b>             |             | <b>4,437,379</b>         | <b>8,465,765</b>         |
| <b>Net Assets</b>                    |             | <b>47,963,316</b>        | <b>44,809,299</b>        |
| <b>Members' Funds</b>                |             |                          |                          |
| Reserves                             | 8           | 9,831,819                | 9,831,819                |
| Retained earnings                    |             | 38,131,497               | 34,977,480               |
| <b>Total Members' Funds</b>          |             | <b>47,963,316</b>        | <b>44,809,299</b>        |

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 32.

**Dapto Leagues Club Ltd**  
**Statement of Changes in Members' Funds**  
**For the Year Ended 30 June 2023**

|   | Reserves<br>\$ | Retained<br>Earnings<br>\$ | Total<br>Members'<br>Funds<br>\$ |
|---|----------------|----------------------------|----------------------------------|
| Balance at 1 July 2021                              | 9,831,819      | 33,596,673                 | 43,428,492                       |
| Net profit after income tax expense<br>for the year | -              | 1,380,807                  | 1,380,807                        |
| Other comprehensive income for the year, net of tax | -              | -                          | -                                |
| Total comprehensive loss for the year               | -              | 1,380,807                  | 1,380,807                        |
| Balance at 30 June 2022                             | 9,831,819      | 34,977,480                 | 44,809,299                       |
| Net profit after income tax expense<br>for the year | -              | 3,154,017                  | 3,154,017                        |
| Other comprehensive income for the year, net of tax | -              | -                          | -                                |
| Total comprehensive income for the year             | -              | 3,154,017                  | 3,154,017                        |
| Balance at 30 June 2023                             | 9,831,819      | 38,131,497                 | 47,963,316                       |

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 32.

**Dapto Leagues Club Ltd**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2023**

|   | <b>2023</b><br><b>\$</b> | <b>2022</b><br><b>\$</b> |
|---|--------------------------|--------------------------|
| <b>Cash Flows from Operating Activities</b>                             |                          |                          |
| Receipts from customers (inclusive of GST)                              | 33,941,758               | 23,041,195               |
| Payments to suppliers and employees (inclusive of GST)                  | (27,974,759)             | (19,908,446)             |
| Rent received   | 136,004                  | 98,746                   |
| Government grants received  | -                        | 699,160                  |
| Interest received   | -                        | 1,544                    |
| Finance costs paid  | (94,059)                 | (187,109)                |
| <b>Net cash inflow from operating activities</b>                        | <b>6,008,944</b>         | <b>3,745,090</b>         |
| <b>Cash Flows from Investing Activities</b>                             |                          |                          |
| Purchase of property, plant and equipment                               | (1,868,127)              | (1,389,007)              |
| <b>Net cash outflow from investing activities</b>                       | <b>(1,868,127)</b>       | <b>(1,389,007)</b>       |
| <b>Cash Flows from Financing Activities</b>                             |                          |                          |
| Repayment of borrowings   | (3,888,953)              | (2,269,664)              |
| Lease payments  | (159,658)                | (161,928)                |
| <b>Net cash outflow from financing activities</b>                       | <b>(4,048,611)</b>       | <b>(2,431,592)</b>       |
| <b>Net increase/(decrease) in cash and cash equivalents</b>             | <b>92,206</b>            | <b>(75,509)</b>          |
| <b>Cash and cash equivalents at the beginning of the financial year</b> | <b>1,355,777</b>         | <b>1,431,286</b>         |
| <b>Cash and cash equivalents at the end of the financial year</b>       | <b>1,447,983</b>         | <b>1,355,777</b>         |

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 32.

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

#### About this report

Dapto Leagues Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia and is a non-for-profit entity for the purposes of preparing the financial statements. The financial statements are for Dapto Leagues Club Ltd as a standalone legal entity.

The financial statements were approved for issue by the Directors on 31<sup>st</sup> October 2023.

The financial statements are general purposes financial statements which;

- Have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for not-for-profit orientated entities;
- Have been prepared under the historical cost convention;
- Are presented in Australian dollars;
- Where necessary comparative information has been restated to conform with changes in presentation in the current year; and
- Have been prepared on a going concern basis.

#### New or amended Accounting Standards and Interpretations adopted

The Company has adopted all new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### Critical Accounting Judgements, Estimates and Assumptions

In the process of applying the company's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates that are material to the financial statements include:

|  |        |
|--|--------|
| Estimation of useful lives of assets     | Note 3 |
| Fair Value of Land and Buildings         | Note 3 |
| Impairment of Poker Machine Entitlements | Note 4 |
| Long service leave liability             | Note 6 |

**Dapto Leagues Club Ltd**  
**Notes to the Financial Statements**  
**For the Year Ended 30 June 2023**

**1 Revenue and Other Income**

|                                       | <b>2023</b> | <b>2022</b> |
|---------------------------------------|-------------|-------------|
|                                       | <b>\$</b>   | <b>\$</b>   |
| <b>Sale of Goods Revenue</b>          |             |             |
| Bar and catering sales                | 10,904,704  | 6,929,474   |
| Pro shop sales                        | 141,827     | 118,860     |
|                                       | <hr/>       | <hr/>       |
|                                       | 11,046,531  | 7,048,334   |
|                                       | <hr/>       | <hr/>       |
| <b>Rendering of Services Revenue</b>  |             |             |
| Poker machines - net clearances       | 17,141,559  | 11,984,712  |
| Members' subscriptions                | 464,644     | 678,510     |
| Entertainment and promotions          | 431,984     | 218,945     |
| Keno and TAB sales                    | 335,863     | 202,015     |
| Commission received                   | 196,817     | 134,648     |
| Golf club revenue                     | 709,714     | 588,846     |
| Sundry income                         | 185,558     | 287,910     |
|                                       | <hr/>       | <hr/>       |
|                                       | 19,466,139  | 14,095,586  |
|                                       | <hr/>       | <hr/>       |
| <b>Other Income</b>                   |             |             |
| Interest received                     | -           | 1,544       |
| Rent received                         | 136,004     | 98,746      |
| Other income                          | 835         | 1,254       |
| Government grant income               | -           | 699,160     |
|                                       | <hr/>       | <hr/>       |
| <b>Total other income</b>             | 136,839     | 800,704     |
|                                       | <hr/>       | <hr/>       |
| <b>Total Revenue and Other Income</b> | 30,649,509  | 21,944,624  |
|                                       | <hr/>       | <hr/>       |

**Recognition and Measurement**

Revenues are recognised at fair value of the consideration received or receivable net of the amount of goods and services tax (GST) payable to the taxation authority. Transfer Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

**Sale of Goods**

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at the point in time when the performance obligation is satisfied, that is, on delivery of goods to the customer.

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 1 Revenue and Other Income (continued)

### Rendering of Services

Revenue from rendering services comprises revenue from gaming facilities together with other services to members and other patrons of the club and is recognised at the point in time the services are provided.

Golf club revenue comprises competitions fees, green fees, cart hire fees and sponsorship sales. Revenue is recognised at the point in time the services are provided.

Members' subscriptions are payable in advance which represents fees for a one year or three-year membership, and the membership fees are generally paid for the year from July to June. Membership subscription revenue is recognised over time, through the period to which it relates. Any membership subscription revenue relating to periods beyond the current financial year is carried forward in the Statement of Financial Position as income received in advance.

### Interest Income

Interest income is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

### Rent Income

Rent income is recognised on a straight-line basis over the term of the relevant lease.

### Grant Income

Grant revenue is recognised over time, as the company satisfies its performance obligations as stated in the grant funding agreements. Where performance obligations are not sufficiently specific, or there are no performance obligations, the grant is recognised as income when the right to receive payment is established.

## 2 Income Tax

The club only pays tax on income derived other than from members. The club has carried forward losses for income tax purposes.

### Deferred Tax Assets Not Taken to Account

Deferred tax assets attributable to tax losses carried forward and temporary differences has not been recognised as an asset because recovery is not probable:

|   | 2023<br>\$ | 2022<br>\$ |
|---|------------|------------|
| Tax losses carried forward                  | 152,611    | 379,998    |
| Temporary differences - employee provisions | 126,260    | 107,445    |
|   | <hr/>      | <hr/>      |
|   | 278,871    | 487,443    |
|   | <hr/>      | <hr/>      |

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 2 Income Tax (continued)

### Recognition and Measurement

Current tax assets and liabilities are measured at the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted in Australia by the reporting date.

The company calculates its income in accordance with the mutuality principle which excludes from taxable income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club or association, eg. Poker machines, bar and dining room service in the case of social clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations. Amendments to the Income Tax Assessment Act 1997 ensure social clubs continue not to be taxed on receipts from contributions and payments received from members.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates that are enacted or substantively enacted. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle the claim simultaneously.

These benefits will only be obtained if:

- i) The company derives future assessable income of a nature and of an amount sufficient to enable the benefit to be realised;
- ii) The company continues to comply with the conditions for deductibility imposed by law; and
- iii) No changes in tax legislation adversely affect the company in realising the benefit.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

### 3 Property, Plant and Equipment

|   | 2023<br>\$   | 2022<br>\$   |
|---|--------------|--------------|
| Freehold Land and Buildings<br><i>At revalued amount, less accumulated depreciation</i> | 43,192,667   | 44,030,561   |
| Plant and Equipment<br><i>At cost</i>   | 15,272,449   | 14,591,179   |
| <i>Accumulated depreciation</i>   | (11,298,381) | (10,630,725) |
|   | 3,974,068    | 3,960,454    |
| Poker Machines<br><i>At cost</i>  | 10,575,222   | 10,308,829   |
| <i>Accumulated depreciation</i>   | (8,731,048)  | (8,400,601)  |
|   | 1,844,174    | 1,908,228    |
| Total plant and equipment   | 5,818,242    | 5,868,682    |
| Capital work in progress<br><i>At cost</i>  | 206,095      | -            |
| Total property, plant and equipment net book value                                      | 49,217,004   | 49,899,243   |

Refer to Note 7 for details of security over property, plant and equipment.

#### Valuation

An independent valuation by Global Valuation Services Pty Ltd of the company's freehold land and buildings was carried out on 30 June 2021 on the basis of open market value for existing use resulted in a valuation of \$44,910,000.

The Directors have reviewed the carrying amounts of the land & building assets at 30 June 2023, and determined there to be no material change to the fair value derived at 30 June 2021.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

3 Property, Plant and Equipment (continued)

|  | 2023<br>\$ | 2022<br>\$ |
|--|------------|------------|
| Reconciliations  |            |            |
| <b>Movements in Carrying Amounts</b>   |            |            |
| Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below: |            |            |
| <b>Land and Buildings</b>  |            |            |
| Carrying amount at beginning of year   | 44,030,561 | 44,910,000 |
| Additions  | 53,465     | 23,301     |
| Depreciation expense   | (891,359)  | (902,740)  |
|  |            |            |
| Carrying amount at end of year   | 43,192,667 | 44,030,561 |
|  |            |            |
| <b>Plant and Equipment</b>   |            |            |
| Carrying amount at beginning of year   | 3,960,454  | 4,439,954  |
| Additions  | 837,169    | 323,302    |
| Depreciation expense   | (823,555)  | (802,802)  |
|  |            |            |
| Carrying amount at end of year   | 3,974,068  | 3,960,454  |
|  |            |            |
| <b>Poker Machines</b>  |            |            |
| Carrying amount at beginning of year   | 1,908,228  | 1,694,310  |
| Additions  | 771,397    | 1,042,404  |
| Disposals  | (3,829)    | -          |
| Depreciation expense   | (831,622)  | (828,486)  |
|  |            |            |
| Carrying amount at end of year   | 1,844,174  | 1,908,228  |
|  |            |            |
| <b>Capital work in progress</b>  |            |            |
| Carrying amount at beginning of year   | -          | -          |
| Additions  | 206,095    | -          |
|  |            |            |
| Carrying amount at end of year   | 206,095    | -          |

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 3 Property, Plant and Equipment (continued)

### Core Properties held by the Club are:

- Licensed premises at Princes Highway, Kembla Grange
- Car park at Princes Highway, Kembla Grange
- Golf course at Princes Highway, Kembla Grange
- Squash centre at 123 Lakelands Drive, Dapto

### Non-core Properties held by the Club are:

- Licensed premises at Bong Bong Road, Dapto
- Car park at Station Street, Dapto
- Commercial property located at Princes Highway, Kembla Grange
- Land used for the greenkeepers shed at Princes Highway, Kembla Grange
- Land which does not form part of the golf course at Princes Highway, Kembla Grange

### Recognition and Measurement

Freehold land and buildings are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation increase arising on the revaluation of such land and buildings is recognised in other comprehensive income, except to the extent that it reverses a revaluation decrease for the same class of land and buildings recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to that class of land and buildings.

All other property, plant and equipment is stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company/group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated using the straight line / diminishing value methods to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

|                     |          |
|---------------------|----------|
| Buildings           | 2.5%     |
| Plant and Equipment | 10 - 30% |
| Poker Machines      | 20 - 30% |

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

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

### 3 Property, Plant and Equipment (continued)

#### Recognition and Measurement (continued)

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 carrying amount. These are included in the profit or loss. When revalued assets are sold the amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

#### Impairment of Assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

#### Key Estimate and Judgement: Estimated useful lives of Assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

#### Key Estimate and Judgement: Fair value of Land and Buildings

The fair value of land and buildings is determined by the use of independent valuations performed by external registered valuers performed on at least triennial basis. The valuations are performed on the basis of open market value for existing use and are determined using comparable sales evidence of similar assets. The valuation methodology involves significant estimates and judgements in relation to the fair value of land and buildings.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

#### 4 Intangible Assets

|                                      | 2023<br>\$ | 2022<br>\$ |
|--------------------------------------|------------|------------|
| Poker machine entitlements           |            |            |
| At cost                              | 888,914    | 888,914    |
| Software and brand development costs |            |            |
| At cost                              | 186,475    | 186,475    |
| Accumulated amortisation             | (75,589)   | (54,330)   |
| Net carrying value                   | 999,800    | 1,021,059  |
| Reconciliations                      |            |            |
| Movements in Carrying Amounts        |            |            |
| Carrying amount at beginning of year | 1,021,059  | 1,042,317  |
| Amortisation                         | (21,259)   | (21,258)   |
| Carrying amount at end of year       | 999,800    | 1,021,059  |

#### Recognition and Measurement

##### *Poker Machine Entitlements*

Poker machine entitlements are considered to be intangible assets with an indefinite life as there is no set term for holding the entitlements. As a result the entitlements are not subject to amortisation. Instead, poker machine entitlements are tested for impairment annually and are carried at cost less accumulated impairment losses. Poker machine entitlements are not considered to have an active market, hence the recoverable amount is calculated using the value in use method, based on management's five year forecasts.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

## 4 Intangible Assets (continued)

### Key Estimate and Judgement: Impairment of Poker Machine Entitlements

Impairment of poker machine entitlements is recognised based on a value-in-use calculation and is measured at the present value of the estimated future cash flows available to the company from the use of these entitlements. In determining the present value of the future cash flows, assumptions regarding growth rates and appropriate discount factors have been applied to the cash flows.

At the end of the reporting period the company assessed the recoverable amount of poker machine entitlements based on the value-in-use methodology. The company use pre-tax cash flows generated from the poker machines net revenues generated and calculated the present values of these future cash flows at a discount rate of 5.00%, to arrive at the total value of these entitlements. The value-in-use for each entitlement is calculated by dividing the total value of the entitlements with the actual number of poker machines. The value-in-use calculated by management was in excess of the carrying value and accordingly no impairment losses were recognised.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the poker machine entitlements:

- a) 5.00% pre-tax discount rate;
- b) 1.75% per annum projected revenue growth rate;
- c) 4.60% per annum increase in operating costs and overheads.

## 5 Trade and Other Payables

|                                     | 2023<br>\$ | 2022<br>\$ |
|-------------------------------------|------------|------------|
| Trade payables                      | 327,671    | 793,561    |
| Other payables and accrued expenses | 1,231,226  | 1,263,367  |
|                                     | <hr/>      | <hr/>      |
|                                     | 1,558,897  | 2,056,928  |
|                                     | <hr/>      | <hr/>      |

### Recognition and Measurement

Trade and other payables represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

## 6 Employee benefits

|                                  | 2023<br>\$ | 2022<br>\$ |
|----------------------------------|------------|------------|
| <b>Current</b>                   |            |            |
| Provision for annual leave       | 905,779    | 848,408    |
| Provision for long service leave | 617,829    | 542,776    |
|                                  | <hr/>      | <hr/>      |
|                                  | 1,523,608  | 1,391,184  |
|                                  | <hr/>      | <hr/>      |
| <b>Non-current</b>               |            |            |
| Provision for long service leave | 153,959    | 123,763    |
|                                  | <hr/>      | <hr/>      |

The present value of employee benefits not expected to be settled within 12 months of reporting date have been calculated using the following weighted averages:

|                |       |       |
|----------------|-------|-------|
| Inflation rate | 4.35% | 3.85% |
| Discount rate  | 4.06% | 3.69% |

### Superannuation Plans

#### Contributions

The company is under a legal obligation to contribute 10% of each employee's base salary to a superannuation fund. The company has no legal or constructive obligation to fund any deficit.

|   | 2023<br>\$ | 2022<br>\$ |
|---|------------|------------|
| Defined contribution superannuation expense | 767,778    | 563,011    |
|   | <hr/>      | <hr/>      |

### Recognition and Measurement

The employee benefits liability represents accrued wages and salaries, leave entitlements and other incentives recognised in respect of employees' services up to the end of the reporting period. These liabilities are measured at the amounts expected to be paid when they are settled and include related on-costs, such as worker's compensation insurance, superannuation and payroll tax.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables with respect to employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

#### Superannuation Plan

The company contributes to defined contribution superannuation plans. Contributions are recognised as an expense as they are made.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

## 6 Employee benefits (continued)

### Key estimate and judgement: Long Service Leave Provision

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect to all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

## 7 Financial Liabilities

|  | 2023<br>\$      | 2022<br>\$      |
|--|-----------------|-----------------|
| <b>Current</b>   |                 |                 |
| Secured  |                 |                 |
| Bank loans   | 400,000         | 1,402,519       |
| Lease liabilities  | 137,057         | 146,093         |
|  | <hr/> 537,057   | <hr/> 1,548,612 |
| <b>Non-Current</b>                                       |                 |                 |
| Secured  |                 |                 |
| Bank loan  | -               | 2,900,000       |
| Lease liabilities  | 74,984          | 212,040         |
|  | <hr/> 74,984    | <hr/> 3,112,040 |
| <b>Financing Arrangements</b>                            |                 |                 |
| The company has access to the following lines of credit: |                 |                 |
| Total facilities available:                              |                 |                 |
| Bank loans   | 5,900,000       | 7,304,295       |
| Bank guarantee   | 5,600           | 5,600           |
| Asset finance facilities                                 | 212,041         | 358,133         |
|  | <hr/> 6,117,641 | <hr/> 7,668,028 |
| Facilities utilised at reporting date:                   |                 |                 |
| Bank loans   | 400,000         | 4,302,519       |
| Bank guarantee   | 5,600           | 5,600           |
| Asset finance facilities                                 | 212,041         | 358,133         |
|  | <hr/> 617,641   | <hr/> 4,666,252 |

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 7 Financial Liabilities (continued)

### Bank Loans

All bank loans are denominated in Australian dollars. The bank loans amount in current liabilities comprises the portion of the company's bank loan payable within one year. The bank loans non-current balance represents the portion of the company's bank loans not due within one year.

The loans bear interest at the weighted average of the interest rates applicable to each of the Business Markets Facility Components (being the Fixed Amount, the Flexible Maturity Fixed Amount, the Cap Amount, the Range Amount and/or the Floating Amount). The weighted average interest rate is 6.24% (2022: 3.55%).

### Security

The bank loans are secured by registered first mortgages over the present and future rights, property and undertakings of the company.

The carrying amount of the pledged assets is as follows:

|                             | 2023<br>\$ | 2022<br>\$ |
|-----------------------------|------------|------------|
| Freehold land and buildings | 43,192,667 | 44,030,561 |
| Total pledged               | 43,192,667 | 44,030,561 |

### Recognition and Measurement

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the profit or loss over the period of borrowings using the effective interest method.

Borrowings are classified as non-current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare to their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 7 Financial Liabilities (continued)

### Lease liabilities

The Club has hire purchase and lease agreements during the financial year. The agreements relate to the hire of a motor vehicle, against which the facility is secured, as well as the lease of poker machine assets for the Club gaming facilities.

### Recognition and Measurement

A lease asset and a lease liability are recorded at their fair value at the inception of the lease or, if lower at the present value of the minimum lease payments.

Lease liabilities are reduced by repayments of principal. The interest components of the lease payments are expensed. Contingent rentals are expensed as incurred.

## 8 Reserves

|                     | 2023<br>\$ | 2022<br>\$ |
|---------------------|------------|------------|
| Revaluation reserve | 9,831,819  | 9,831,819  |

### Revaluation reserve

The revaluation reserve is used to recognise increments and decrements in the fair value of land and buildings.

## 9 Key Management Personnel Details

### (a) Directors

The following persons were non-executive directors of the company during the financial year:

|   |   |
|---|---|
| Anthony O'Donnell                       | Ron Adams                                       |
| Tony Bullman (resigned 31 January 2023) | Rob Kirkwood                                    |
| Edward Bate                             | Gary Tozer                                      |
| Michael Clark                           | David Jones                                     |
| David Smith                             | Alex Constantinidis (appointed 31 January 2023) |

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 9 Key Management Personnel Details (continued)

### (b) Other Key Management Personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly during the financial year:

| Name           | Position                             |
|----------------|--------------------------------------|
| David Hiscox   | Chief Executive Officer              |
| Bronwyn Newman | Gaming and Marketing Manager         |
| Matt Gooden    | Food and Beverage Operations Manager |
| Scott McCaw    | Golf Operations Manager              |

### (c) Key Management Personnel Compensation

|  | 2023<br>\$ | 2022<br>\$ |
|--|------------|------------|
| Benefits and payments made to the Directors and Other Key Management Personnel | 870,469    | 953,084    |

## 10 Related Parties

### Key Management Personnel

Disclosures relating to key management personnel are set out in Note 9.

### Transactions with Related Parties

From time to time, directors of the company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other company employees or customers.

Apart from the details disclosed in this note, no director has entered into a material contract with the company since the end of the previous financial year and there were no material contracts involving directors' interests existing at year end.

### Receivable From and Payable to Related Parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 11 Auditors' Remuneration

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company:

|   | 2023<br>\$    | 2022<br>\$    |
|---|---------------|---------------|
| <b>Audit services</b>   |               |               |
| Audit of the financial statements                               | 42,500        | 38,000        |
| <b>Other services</b>   |               |               |
| Preparation and lodgement of Income calculations and tax return | 6,875         | 6,250         |
|   | <u>49,375</u> | <u>44,250</u> |

## 12 Commitments

### Capital Expenditure Commitments

The Club does not have any commitments for capital expenditure as at 30 June 2023 (2022: Nil).

|   | 2023<br>\$    | 2022<br>\$     |
|---|---------------|----------------|
| <b>Management Fees</b>                          |               |                |
| Management fee payments are payable as follows: |               |                |
| Within one year                                 | 57,500        | 57,500         |
| One year or later and no later than five years  | -             | 57,500         |
| More than five years                            | -             | -              |
|   | <u>57,500</u> | <u>115,000</u> |
| Minimum management fee payments                 | 57,500        | 115,000        |

The company has engaged with an independent advisor to provide advisory and management services for the Grange with the agreement to expire in June 2024.

# Dapto Leagues Club Ltd

## Notes to the Financial Statements

### For the Year Ended 30 June 2023

## 13 Company Details

The Club is incorporated and domiciled in Australia as a company limited by guarantee. At 30 June 2023 there were 26,916 members (2022: 25,138).

In accordance with the Constitution of the company, every member of the company undertakes to contribute an amount limited to \$2 per member in the event of the winding up of the company during the time that he/she is a member or within one year thereafter.

The registered office of the company is:

Dapto Leagues Club Ltd  
Bong Bong Road  
DAPTO NSW 2530

## 14 Events Subsequent to Reporting Date

There are no other matters or circumstances that have arisen since the end of the financial year that have 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.

## 15 Summary of other Significant Accounting Policies

### (a) Goods and Services Tax

Revenues, 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. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included 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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the Australian Taxation Office.

### (b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdraft. Bank overdrafts are shown within short-term financial liabilities in current liabilities in the statement of financial position.

### (c) Inventories

Inventories are measured at the lower of cost or net realisable value. Costs are assigned on the basis of weighted average costs.

Dapto Leagues Club Ltd  
Notes to the Financial Statements  
For the Year Ended 30 June 2023

**15 Summary of other Significant Accounting Policies (continued)**

**(d) Fair Value Estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets such as trading and available for sale securities is based on quoted market bid prices at the end of the period.

The carrying value of trade receivables and payables are assumed to approximate their fair value due to their short term nature.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar liabilities.

**(e) Customer Loyalty Program**

The company operates a loyalty program where customers accumulated points for dollars spent. The award points are recognised as a separately identifiable component of the initial sale transaction, by allocating the fair value of the consideration received between the award points and the other components of the sale that the award points are recognised at their fair value. Revenue from the award points is recognised when the points are redeemed. The amount of revenue is based on the number of points redeemed relative to the total number expected to be redeemed.



**AT DAPTO WE'VE ALWAYS  
LOVED GETTING TOGETHER.  
LONG MAY THAT CONTINUE.**



Cnr Station St & Bong Bong Rd, Dapto  
02 4261 1333 [DAPTOLEAGUES.COM.AU](http://DAPTOLEAGUES.COM.AU)

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