

**Ettalong Beach War Memorial Club Limited**  
**ABN 99 001 011 392**

**Annual Report**  
**For The Financial Year Ended**  
**30 June 2023**

**Ettalong Beach War Memorial Club Limited**  
**ABN 99 001 011 392**

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**Annual Report**  
**For The Year Ended 30 June 2023**

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# Ettalong Beach War Memorial Club Limited

## ABN 99 001 011 392

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### Directors' Report

Your Directors submit the financial accounts of the Company for the year ended 30 June 2023.

#### Names and Details of Directors

The names and details of directors in office at the date of this report and their details are:

**WOOD, John (Chairman):** Worked for 26 years as a Development Supervisor for Gosford City Council, during this time served on the Board of Directors of Gosford City Credit Union (13 years). Has been a member of Ettalong Beach War Memorial Club for 54 years and awarded Life Membership in 2018. Also is a member of Woy Woy Ettalong and Hardy's Bay RSL. Was a Director of Ettalong Beach War Memorial Club from 6th June 2011 until his resignation in December 2012. Has been a Director of Ettalong Beach War Memorial Club since his re-election in October 2013 and Chairman since 2013.

**GRIBBLE, Judy (Deputy Chairperson):** Has 30 years' experience in the hospitality industry holding many positions including Assistant Secretary Manager of Clubs. 2006 appointed Justice of the Peace to aid and assist members of the public. Has attained a Certificate IV in Workplace Assessment and Training. Currently retired from full time work since 2009. Elected and has been a Director of Ettalong Beach War Memorial Club since October 2015.

**MAIDEN, Michael:** Michael worked for Westpac Banking Corp across a range of management roles for 17 years. Gained extensive club and hospitality experience during 9 years at Dee Why RSL, including more than 6 years as Gaming Operations Manager. He has been undertaking youth work on the Central Coast for the last 5 years, most of which having been in the Education and Employment Mentor role for local youth at risk of homelessness. Has been a Director of Ettalong Beach War Memorial Club since May 2022.

**LANCE, Chris:** Grew up in the Hospitality industry working in family hotels and bottle shops for over 15 years. Various other work experience included ten (10) years at Westpac, plus payroll and bookkeeping for several different small businesses; Worked in a Licenced Club for over twenty (20) years in all areas of Club Operations and Management until the position as Office Manager was made redundant in 2020; Been a member at Ettalong Diggers for ten years and a Director of Ettalong Beach War Memorial Club since November 2021.

**SAYER, Kent:** He has been in the Service Delivery industry for over 20 years starting within the call centre and working his way into his current management role as Regional Field Manager. Has been a member of the Ettalong Diggers since 2011. Elected and has been a Director of Ettalong Beach War Memorial since October 2020.

Directors have been in office since the start of the financial year unless otherwise stated. The following directors ceased to be a director during the year:

**CONROY, Joy:** Member of the Ettalong Beach War Memorial Club for 27 years. Professional skills and experience include Diploma in Welfare Studies; trained as an Anti-Harassment Officer; training in Mediation. For ten (10) years prior to retirement, worked as a Case Officer in a division of the Federal Court and as an Associate to Tribunal members hearing Administrative Appeals. Past community activities include voluntary work with the Smith Family, Red Cross and Meals on Wheels. Executive Member of Woy Woy High School's P & C. Life member of Woy Woy Soccer Club. Elected as a Director of Ettalong Beach War Memorial Club Ltd in October 2017 and resigned 24<sup>th</sup> November 2021.

**DUFFY, Michael:** Eighteen (18) years-experience operating and maintaining the electricity network on the Central Coast. A qualified Electrical Engineer and studying a Master of Business Administration at Australian Graduate School of Management. Being an active family man, looks forward to being part of, and seeing the continued growth of the Peninsula Community. Elected as a Director of Ettalong Beach War Memorial Club Ltd in October 2017 and resigned 28<sup>th</sup> April 2022.

#### Company Secretary

The following person held the position of company secretary at the end of the financial year:

Colin Murphy                      Appointed company secretary on 10<sup>th</sup> December 2021

**Ettalong Beach War Memorial Club Limited**  
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**Directors' Report**

**Attendance Chart For Board of Directors Meetings**

<b>Name of Director</b>	<b>Board Meetings Attended / Possible Meetings</b>	<b>Special Board Meetings Attended / Possible Meetings</b>
<b>John Wood (Chair)</b>	<b>12 / 12</b>	<b>8 / 8</b>
<b>Judy Gribble (Deputy)</b>	<b>10 / 12</b>	<b>6 / 8</b>
<b>Chris Lance</b>	<b>12 / 12</b>	<b>8 / 8</b>
<b>Michael Maiden</b>	<b>12 / 12</b>	<b>8 / 8</b>
<b>Kent Sayer</b>	<b>11 / 12</b>	<b>7 / 8</b>

**Principal Activities**

The company's principal activities in the course of the financial year were, that of a Licensed Club.

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

**Short-term and Long-term Objectives**

The company's Short term objectives:

- Return to Membership Growth
- Consolidation of Working Capital
- Re-enforcement of Club Brands
- Implementation of new Customer Loyalty Rewards Program

The company's Long term objectives:

- Refurbishment of Club facilities to maximize Members and Community Benefits
- Maximise profitability to reduce long-term debt through strict adherence to KPI's, EBIT & EBITDA.

**Strategies**

To achieve these through diversification the company has adopted the following strategies:

- Increase membership and grow the company's profitability
- Provide high standard facilities to members and guests

**Key Performance Measures**

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Measures used by the company for its performance:

- Standard Club industry Key Performance Indicators including Gross Profit percentages, Wages percentages, EBIT and EBITDA etc.

# Ettalong Beach War Memorial Club Limited

## ABN 99 001 011 392

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### Directors' Report

#### Operating Results

The profit for the company, from operating activities, for the financial year after income tax amounted to \$2,055,489 (2022: \$1,350,620).

#### Dividends

Under the Company's Constitution no dividend can be paid.

#### Review Of Operations

After the COVID19 lock-down and challenging trading environment for the Club in 2020 and 2021, the Club undertaken a strong recovery in 2022 / 2023 by focusing on its core activities of hospitality and gaming for its members and guests. The recovery is based on the Directors and management being focused on the key performance indicators which have been put in place to monitor and review the Club trading activities.

The Club anticipates the trading environment will have its challenges in 2023 / 2024 due to the impact of higher inflation and higher interest rates on disposable incomes of our members and guests. However, the club continues to maintain its operating budgets and cash flows which are reviewed and amended monthly. While there may be inconsistencies in trade, these fluctuations are being managed as best as possible by making changes to operations of the Club where there are indications that change is required.

During the year, a claim for damages has been brought against the Club with respect to a contractual arrangement.

The Club after 30 June 2023 year end, but before signing the financial statements has concluded negotiations and settled with the claimant. The Club has made provision for this settlement in the financial Statement. The amount provided by the Club is not an admission of guilt and is the best estimate of costs to settle the claim with the claimant.

It is important to note that due to the impacts of the health crisis in prior financial years the Club's trade has been inconsistent which has had a direct impact on the Clubs financial performance in the comparative financial year when compared to the current year end. These fluctuations in trade were managed by the management team and Directors as best as possible with summary details of those activities set out below:

#### Bar Trading:

Bar sales for the year totalled \$2,736,465. This is an increase from 2022 of \$1,028,889 (60.25%). The trading gross profit of \$1,628,884 showed an increase of \$628,641. The Bar net profit increased by \$319,216.

#### Poker Machine Trading:

Net takings for the year totalled \$14,928,536. This is an increase from 2022 of \$4,080,842 (37.62%). The trading profit of \$8,202,487 showed an increase of \$2,304,085 (39.07%).

#### Catering Trading:

Total sales for the period were \$3,782,387. The trading gross profit was \$2,608,432 and Catering generated a net profit of \$224,381 which amounted to an increase of \$249,922 or (1,095.42%).

**Ettalong Beach War Memorial Club Limited**  
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**Directors' Report**

**Auditors Independence Declaration**


The auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 6 of the financial report.

**Membership**

As at the end of the financial year the club had 33,044 (2022: 28,431) members.

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 \$5 each towards meeting any outstanding obligations of the company. As at 30 June 2023 the total amount that members of the company are liable to contribute if the company is wound up is \$165,220 (2022: \$124,140).

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



J Wood  
Chairman/Director

Dated at Ettalong on 6<sup>th</sup> September 2023

**Auditors Independence Declaration  
Under Section 307C of the Corporations Act 2001  
to the Directors of Ettalong Beach War Memorial Club Limited**

As auditor for the audit of Ettalong Beach War Memorial Club Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in *the Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**FORTUNITY ASSURANCE**



Adrian Thompson  
**Partner**

155 The Entrance Road  
ERINA NSW 2250

Dated: 6 September 2023

## Independent Audit Report To The Members Of Ettalong Beach War Memorial Club Limited

### Report on the Financial Report

#### Opinion

We have audited the financial report of Ettalong Beach War memorial Club Limited (the company), which comprises the statement of financial position as at 30 June 2023, the statement of profit and loss, Statement of comprehensive income, statement of changes equity and 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.

In our opinion, the accompanying financial report of Ettalong Beach War Memorial 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 then ended; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the *Corporations Regulations 2001*.

#### Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants* (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 Ettalong Beach War Memorial Club Limited, 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

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023, 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, 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 report.



## **Independent Audit Report To The Members Of Ettalong Beach War Memorial Club Limited**

### **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 – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine as necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement 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 company'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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

**Independent Audit Report To The Members  
Of Ettalong Beach War Memorial Club Limited**

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient audit evidence regarding the financial information of the company or business activities with the company to express an opinion on the financial report. We are responsible solely for our audit opinion.

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

**FORTUNITY ASSURANCE**



Adrian Thompson  
**Partner**

155 The Entrance Road  
ERINA NSW 2250

Dated: 6 September 2023

**Ettalong Beach War Memorial Club Limited**  
**ABN 99 001 011 392**

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**Directors' Declaration**

In accordance with a resolution of the directors of Ettalong Beach War Memorial Club Limited, the directors declare that:

1. The financial statements and notes set out on pages 12 to 35 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 2023, and 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.

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



**J Wood**  
Chairman/Director

Dated at Ettalong on 6<sup>th</sup> September 2023

**Ettalong Beach War Memorial Club Limited**  
**ABN 99 001 011 392**

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**Statement of Comprehensive Income**  
**For The Year Ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Classification of Expenses by Nature</b>			
Revenues	3	22,250,777	15,194,582
Other Revenues	3	890,250	1,059,339
Costs of Goods Sold		(2,281,557)	(1,396,756)
Employee wages and benefits expense		(6,397,622)	(4,680,066)
Depreciation and amortisation expense	4	(1,671,652)	(1,602,813)
Interest Expense		(213,868)	(237,367)
Power & Gas		(343,567)	(284,208)
Repairs & Maintenance		(867,839)	(572,835)
Other expenses		(9,321,619)	(6,113,945)
<b>Current Year Surplus</b>		2,043,303	1,365,931
Income tax benefit (expense)	5	12,185	(15,311)
<b>Net current year Surplus/(Deficit)</b>		2,055,488	1,350,620
Other comprehensive income		-	-
<b>Other comprehensive income for the year</b>		2,055,488	1,350,620
<b>Total comprehensive income for the year</b>		2,055,488	1,350,620

The accompanying notes form part of these financial statements.

**Ettalong Beach War Memorial Club Limited**  
**ABN 99 001 011 392**

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**Statement of Financial Position**  
**As At 30 June 2023**

	Note	2023 \$	2022 \$
<b>Current Assets</b>			
Cash & Cash Equivalents	6	1,473,979	4,444,659
Trade and Other Debtors	7	534,837	41,859
Inventories	8	100,818	108,940
Other Current Assets	9	624,236	117,759
<b>Total Current Assets</b>		2,733,870	4,713,217
<b>Non-Current Assets</b>			
Property, Plant & Equipment	10	21,404,847	20,561,748
Investments	11	789	789
Deferred Tax Asset		59,920	47,735
<b>Total Non-Current Assets</b>		21,465,556	20,610,572
<b>Total Assets</b>		24,199,426	25,323,489
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	12	1,451,129	1,052,276
Provisions	13	1,321,065	961,775
Borrowings	14	1,824,001	1,500,000
<b>Total Current Liabilities</b>		4,596,195	3,514,051
<b>Non-Current Liabilities</b>			
Provisions	13	187,937	224,632
Borrowings	14	4,500,000	8,725,000
<b>Total Non - Current Liabilities</b>		4,687,937	8,949,632
<b>Total Liabilities</b>		9,284,132	12,463,683
<b>Net Assets/(Liabilities)</b>		14,915,294	12,859,806
<b>Equity</b>			
Retained Surplus		13,015,294	10,959,806
Reserves		1,900,000	1,900,000
<b>Total Equity</b>		14,915,294	12,859,806

The accompanying notes form part of these financial statements.

**Ettalong Beach War Memorial Club Limited**  
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**Statement of Changes in Equity**  
**For the Year Ended 30 June 2023**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
	\$	\$	\$
<b>Comprehensive Income</b>			
Balance at 30 June 2021	9,609,186	1,900,000	11,509,186
Surplus for the year attributable to members of the company	1,350,620	-	1,350,620
	-----	-----	-----
Balance at 30 June 2022	10,959,806	1,900,000	12,859,806
Surplus for the year attributable to members of the company	2,055,488	-	2,055,488
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Balance at 30 June 2023	13,015,294	1,900,000	14,915,294
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The accompanying notes form part of these financial statements.

**Ettalong Beach War Memorial Club Limited**  
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**Statement of Cash Flows**  
**For The Year Ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from patrons & visitors & others		24,911,500	17,841,718
Payments to suppliers, employees and payouts		(21,311,680)	(14,486,193)
Finance Costs and Interest Paid		(213,868)	(237,367)
Interest Received		42,617	-
Income tax paid		-	-
		<hr/>	<hr/>
Net cash generated from operating activities	21b	3,428,569	3,118,158
		<hr/>	<hr/>
<b>Cash Flow from Investing Activities</b>			
Proceeds from the sale of property, plant & equipment		16,500	9
Payments for property, plant & equipment		(2,514,750)	(2,056,285)
		<hr/>	<hr/>
Net cash used in investing activities		(2,498,250)	(2,056,276)
		<hr/>	<hr/>
<b>Cash Flow from Financing Activities</b>			
Repayments of borrowings		(4,499,999)	(1,500,000)
Proceeds from borrowings		599,000	-
		<hr/>	<hr/>
Net cash used in financing activities		(3,900,999)	(1,500,000)
		<hr/>	<hr/>
<b>Net increase/(decrease) in cash held</b>		(2,970,680)	(438,118)
		<hr/>	<hr/>
Cash and cash equivalents as at the beginning of the financial year		4,444,659	4,882,777
		<hr/>	<hr/>
<b>Cash and cash equivalents as at the end of the financial year</b>	21a	1,473,979	4,444,659
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies**

**Basis of Preparation**

Ettalong Beach War Memorial Club Limited applies Australian Accounting Standards – Simplified Disclosures as set out in *AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

*(i) Compliance with Australia Accounting Standards – Simplified Disclosures*

The financial statements of the Company comply with Australian Accounting Standards– Simplified Disclosures as issued by the Australian Accounting Standards Board (AASB).

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current financial year. The revised presentation does not result in a change in net profit of the Company.

*(ii) New and Amended Accounting Standards and Interpretations*

The company has adopted all new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('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.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financials statements, except for the cash flow information 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on September 2023 by the directors of the company.



**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**Accounting Policies**

**(a) Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to members and guests.

Revenue from rendering a service is recognised upon the delivery of the service to members and guests.

Where the entity receives memberships, sponsorships or grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB15.

Where both these condition are satisfied the Company;

- Identifies each performance obligation relating to the membership, sponsorship or grant;
- Recognises a contract liability for its obligations under the contract or grant;
- Recognises revenue as it satisfies its performance obligations.

When the contract is not enforceable or does not have sufficiently specific performance obligations, the Company;

- Recognise the asset received in accordance with the recognition requirements of other applicable accounting standards (AASB9, AASB16 and AASB138);
- Recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liabilities);
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

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

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

**(b) Income tax**

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the end of the reporting period.

Deferred tax is accounted for using the statement of financial position liability method in respect of temporary differenced arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination; where there is no effect on accounting or taxable profit or loss.

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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(b) Income tax (cont'd)**

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the statement of comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

**(c) Inventories**

Inventories are measured at cost and current replacement cost. Inventories acquired at no cost or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

**(d) Property Plant and Equipment**

Each class of property, plant and equipment is carried at cost or fair values as indicated, where applicable, accumulated depreciation and impairment losses.

**Property**

Buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on the cost of the asset, less subsequent depreciation/amortisation for buildings. Additions to the Clubhouse and surrounds have been capitalised by the Club and an amount of depreciation is charged annually.

A valuation of the company's land and building was carried out Gregory M Jones (Certified Practising Valuer (Business)) – Robertson and Robertson, as at 10 July 2018. As a result of the valuation, the company's land and buildings were significantly written up in value (revaluation of property) in the 2019 financial report. The company will be seeking to undertake a re-valuation of the company's land within the next 12 months.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation reserve in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit and loss.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(d) Property, Plant and Equipment (cont'd)**

**Property (cont'd)**

As the revalued buildings are depreciated the difference between depreciation recognised in the Statement of Comprehensive Income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost is transferred from the revaluation surplus to retained earnings.

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.

Leasehold Land and Buildings that have been contributed at no cost or for nominal cost are valued at the fair value and recognised of the asset at the date it is acquired.

**Plant and Equipment**

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (l) for details of impairment).

Plant and equipment that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets, is depreciated on a straight line basis over the useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are amortised over the shorter of either the unexpired period of the lease, or the estimated useful life of the improvements.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Buildings	2.5%
Plant and equipment	5-20%
Poker machines	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(d) Property, Plant and Equipment (cont'd)**

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

**(e) Impairment of Assets**

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, to the assets carrying amount. An excess of the assets carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss on a revalued asset is identified this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**(f) Employee Benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within the 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

*Other long-term employee benefits*

The liability for long service leave not expected to be settled within 12 months of the reporting date is recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of the expected future payments to be made in respect of services provided by employee up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bodies with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**(g) Members' subscriptions received in advance**

Amounts received from members in respect of subscriptions for 2023/2024 are shown in Note 12 to the Financial Statements as Other Liabilities – Members Subscriptions Received in Advance and are included in Trade and other payables.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(h) Cash & Cash Equivalents**

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

**(i) Trade and Other Debtors**

Trade and other debtors include amounts due from members as well as amount receivable from customers for goods sold in the ordinary course of business. Trade and other debtors expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other Trade and other debtors are classified and non-current assets.

**(j) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST included 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 an item of the expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from or payable to the Australian Taxation Office is included with other receivables or payables in the statement of financial position.

**(k) Investments**

Investments are measured on the cost basis. The carrying amount of investments is reviewed annually by directors to ensure it is not in excess of the recoverable amount of these investments. The recoverable amount is assessed from the quoted market value for listed investments or the underlying net assets for other non-listed investments. The expected net cash flows from investments have not been discounted to their present value in determining the recoverable amounts.

**(l) Customer Loyalty Programs**

The company operated a loyalty program where customers accumulate points for dollars spent. The award points are recognised 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. The amount of the revenue is based on the number of points redeemed relative to the total number expected to be redeemed.

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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(m) Financial Instruments**

**Recognition**

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at cost which includes transaction costs when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

**Financial assets**

Financial assets that are within the scope of the accounting standards are required to be subsequent measured at amortised or fair value on the basis of the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The company holds investment classified as financial asset at fair value through other comprehensive income. In adopting AASB9 Financial Instruments, the company has made an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. No further impairment of the financial assets at fair value through other comprehensive income will be recognised.

**Financial liabilities**

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans and borrowings are classified as non-current.

**(o) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(p) Comparative Figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 1. Summary Of Significant Accounting Policies (cont'd)**

**(q) New and amended Accounting Standards and Interpretations Adopted**

The company has adopted all new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') that are mandatory including *AASB 1060: General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. While the company has adopted AASB1060 which did not have a material impact on the Company for the year, the Directors note there were no other Accounting Standards and or Interpretations which will have or have had a material impact on the Company for the year.

**Note 2. Critical Accounting Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management basis its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**Estimation of useful lives of assets**

The company determines estimated useful lives and related depreciation 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 charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or sold.

**Employee Benefits Provision**

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of 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.

**Ettalong Beach War Memorial Club Limited**  
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**Notes to the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 3. Revenue and Other Income</b>		
Sales Revenue:		
Net Clearances - Poker Machines	14,896,020	10,833,156
Sale of Goods - Bar Sales	2,736,465	1,707,576
Sale of Goods – Function Sales	835,905	343,078
Sale of Goods – Catering Sales	3,782,387	2,310,772
	22,250,777	15,194,582
Other Revenue:		
Interest Received	42,617	-
Members & Subscriptions	91,066	5,974
Other income	86,860	149,358
Commission Received		
- Keno	150,099	104,758
- Other	216,419	119,257
Promotions Income	212,961	76,119
Rental Income	73,728	74,615
Total Revenue:	873,750	530,081
Other Income:		
Gain on sale of Property, Plant & Equipment	16,500	(3,014)
Government Subsidies	-	532,272
Total Other Income	16,500	529,258
Total Other Revenue	890,250	1,059,339
<b>Total Revenue and Other Income</b>	<b>23,141,027</b>	<b>16,253,921</b>

**Note 4. Profit for the Year**

**(a) Expenses**

Depreciation and amortisation of non-current assets		
- building and leasehold improvements	407,921	407,921
- plant, furniture & fittings, poker machines	1,263,731	1,194,892
Depreciation and Amortisation	1,671,652	1,602,813



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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 4. Profit for the Year</b>		
<b>(b) Significant Revenue and Expenses</b>		
Net gain (loss) on disposal of property, plant and equipment		
Disposals at carrying value	16,500	(3,014)
Net gain/(loss) on disposals	16,500	(3,014)
<b>Note 5. Income Tax</b>		
(a) The prima facie income tax on operating profit is reconciled to the income tax provided in the accounts as follows:		
Operating profit	2,043,304	1,350,620
Prima facie income tax payable calculated at 3.40% (prior year 3.42%) of operating profit	69,472	46,803
Add/(less) tax effect of permanent differences at 3.40% (prior year 3.42%)		
Non-allowable members only expenses	(8,794)	(7,953)
Non-assessable members only income	3,120	204
Non-mutual expenses	(8,794)	(7,953)
Non-mutual income	16,545	28,470
	71,549	59,571
Adjusted for the effect of non-mutual income and expenses being assessable or deductible at 27.5% tax rate		
Non-mutual expenses	(1,054,700)	(776,800)
Non-mutual income	540,559	307,810
Losses carried utilised / (forward)	(442,592)	(409,419)
Tax loss not carried forward recoupment	-	-
Change in tax rates	-	-
Income tax expense/(benefit) attributable to operating profit	-	-
(b) The income tax expense/(benefit) comprises		
Current income tax payable	-	-
Deferred tax asset	12,185	15,311
Recoupment of prior year tax losses	-	-
	12,185	15,311

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 6. Cash &amp; Cash Equivalents</b>		
<b>Current:</b>		
Cash on Hand	467,938	454,814
Cash at Bank	1,006,041	3,989,845
	1,473,979	4,444,659
<b>Note 7. Trade and Other Debtors</b>		
<b>Current:</b>		
Trade debtors	109,948	14,922
Provision for Bad Debts	-	-
Trade and Sundry debtors	24,889	94,276
Cash held in Trust by Solicitor	400,000	-
	534,837	109,198
<p>Current trade receivables are generally on 30-day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items. There are no balances within trade receivables that contain assets that are impaired and are past due. It is expected that these balances will be received when due.</p>		
<b>Note 8. Inventories</b>		
<b>Current:</b>		
<b>At Cost:</b>		
Bar stock on hand	82,167	87,080
Catering stock on hand	18,651	21,860
	100,818	108,940
<b>Note 9. Other Current Assets</b>		
<b>Current:</b>		
Prepayments	598,616	115,809
Other Debtors	25,620	1,950
	624,236	117,759

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

		2023 \$	2022 \$
<b>Note 10. Property, Plant &amp; Equipment</b>			
Land – at Valuation	⊕	3,000,000	3,000,000
Buildings			
-at cost	⊕	7,284,903	6,032,278
Less Accumulated Depreciation		(1,035,197)	(741,443)
		6,249,706	5,290,835
Buildings at Valuation			
-at Valuation	⊕	10,244,338	10,244,338
Less : Accumulated Depreciation		(1,836,140)	(1,580,032)
		8,408,198	8,664,306
Building renovations in progress		356,728	393,777
<b>Total Land and Buildings</b>		<b>18,014,632</b>	<b>17,348,918</b>
⊕ - Core Property			
Club premises and car park development. Property purchases and purchase costs, holding costs, development and construction costs to date.			
Plant, equipment, furniture and fittings			
- at cost		16,619,511	15,388,352
Less Accumulated Depreciation		(13,229,295)	(12,175,522)
Total Plant and Equipment		3,390,215	3,212,830
<b>Total Property, Plant and Equipment</b>		<b>21,404,847</b>	<b>20,561,748</b>

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

**2023**                      **2022**  
**\$**                              **\$**

**Note 10. Property, Plant And Equipment (cont'd)**

A valuation of the company's land and building was carried out by Gregory M Jones FAPI (Certified Practising Valuer (Business)) – Robertson & Robertson, as at 10 July 2018.

As per Section S41 j(3) of the Registered Clubs Act the Board of Directors of Ettalong Beach War Memorial Club Limited declare that as of 30 June 2023 the Club owned the following property assets classified as below.

<b>Current use</b>	<b>Classification</b>
Land and Buildings	Core
Car Park	Core

**Movements in Carrying Accounts**

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

<b>2023</b>	<b>Land &amp; Buildings</b>	<b>Plant &amp; Equipment &amp; Poker Machines</b>	<b>Total</b>
Beginning balance - 2022	17,348,918	3,212,830	20,561,748
Additions at cost	1,129,061	1,385,689	2,514,750
Disposals & Transfers	-	-	-
Depreciation expense	(463,348)	(1,208,304)	(1,671,652)
Closing balance - 2023	18,014,632	3,390,215	21,404,847

<b>2022</b>	<b>Land &amp; Buildings</b>	<b>Plant &amp; Equipment &amp; Poker Machines</b>	<b>Total</b>
Beginning balance - 2021	16,767,041	3,344,258	20,111,299
Additions at cost	1,017,446	1,038,839	2,056,285
Disposals & Transfers	(27,648)	24,625	(3,023)
Depreciation expense	(407,921)	(1,194,892)	(1,602,813)
Closing balance – 2022	17,348,918	3,212,830	20,561,748

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Note 11. Investments</b>		
Investment in subsidiaries		
- Ettalong Facilities Pty Ltd	1	1
- Ettalong Facilities Two Pty Ltd	1	1
Investment in associated companies:		
- Tonmarp Pty Ltd	37	37
ILG Suppliers Corporation	750	750
	789	789
	789	789

Ettalong Facilities Pty Ltd is a company set up by the club for the purposes of operating the resort facility, which is now to be operated by an independent management company.

Ettalong Facilities Two Pty Ltd is a company set up by the Club for the purposes of leasing the carpark from the Club and subdividing the title to apply the development of the resort, being a requirement of the project financiers.

Tonmarp Pty Ltd is a company that was set up to purchase an area in the resort for the new gymnasium.

**Note 12. Trade and Other Payables**

**Current:**

**Unsecured:**

Trade Payables & Accruals	1,362,464	910,649
Memberships in advance	88,665	141,627
<b>Total Trade and Other Payables</b>	1,451,129	1,052,276
	1,451,129	1,052,276

**Note 13. Provisions**

**Current:**

Employee benefits - Annual Leave	717,259	705,013
Employee benefits - Long Service Leave	244,800	247,871
Flexi Leave	1,326	1,326
Mortality Benefits *	7,680	7,565
Other Provisions	350,000	-
<b>Total Current Provisions</b>	1,321,065	961,775
	1,321,065	961,775

\* Mortality Benefits are payable to eligible Members who joined the Club prior to 30 June 1972.

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 13. Provisions (Cont'd)</b>		
<b>Non Current</b>		
Employee Benefits - Long Service	186,017	221,997
Mortality Benefits *	1,920	2,635
<b>Total Non-current Provisions</b>	187,937	224,632
<b>Total Provisions</b>	1,509,002	1,186,407

\* Mortality Benefits are payable to eligible Members who joined the Club prior to 30 June 1972.

**Note 14. Borrowings**

<b>Current</b>		
<b>Secured:</b>		
Bank Loans	1,824,001	1,500,000
	1,824,001	1,500,000
<b>Non Current</b>		
<b>Secured:</b>		
Bank Loans	4,500,000	8,725,000
	4,500,000	8,725,000
	6,324,001	10,225,000

The Company's bankers have provided term loans secured by a registered first mortgage over the Company's freehold land & buildings and other assets (as detailed in Note 10).

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

**2023**                      **2022**  
**\$**                                      **\$**

**Note 15. Remuneration & Benefits of Directors & Executive Officers**

**(a) Remuneration of Directors**

The Directors of Ettalong Beach War Memorial Club Ltd in office during the financial year were as follows:

J Wood	J Gribble	K Slayer	C Lance	M Maiden
Aggregate income received, or due and receivable, by the directors of the company in connection with:				
Honorariums				
		-	-	
		-	-	

**(b) Key Management Personnel Compensation**

Total remuneration received or due and receivable by the 5 key management personnel (2022: 5 key management personnel) of the company for management of the affairs of the company.

	Short term Benefits \$	Post-Employment Benefits \$	Total \$
<b>2023</b>			
Total Compensation	619,711	61,335	681,046
<b>2022</b>			
Total Compensation	653,811	65,577	719,388

**Note 16. Financial Risk Management**

**Financial Assets**

Cash on Hand	6	1,473,979	4,444,658
Trade & Other Debtors	7	109,948	14,922
Cash held in Trust by Solicitor	7	400,000	-
<b>Total Financial Assets</b>		1,983,927	4,459,580

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Note 16. Financial Risk Management (cont'd)</b>			
<b>Financial Liabilities</b>			
Trade and other payable	12	1,362,464	910,649
Borrowings	14	6,324,001	10,225,000
<b>Total Financial Liabilities</b>		7,686,465	11,135,649

The company does not have any derivative instruments at 30 June 2023.

**Note 17. Related Party Disclosures**

**(a) Identities of Related Parties**

During the financial year certain transactions were made with the Company's directors as set out in (b) below.

**(b) Transactions with Related Parties**  
- Directors

Type of Transaction	Terms and Conditions of Transaction	Class of Related Party	Related Party	Amount	
				2023 \$	2022 \$
Meals and Drinks	Provided free of Charge entities	Director related	Directors	9,556	8,958
Club Shirts, Suits & Training	Provided free of Charge	Director related entities	Directors	3,974	3,856

(c) The directors also purchased goods and services from the Company on the same terms and conditions available to the Company's employees, members and guests.



**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

**Note 18. Financial Reporting By Segments**

The company operates predominantly in one industry, that of being a Registered Club, governed under *the Registered Clubs Act, 1976*. The Company operates predominantly in one geographical location, being Ettalong Beach, NSW.

**Note 19. Company Details**

The registered office of the Company is:

Ettalong Beach War Memorial Club Limited  
211 Memorial Avenue  
Ettalong Beach, N.S.W., 2257

The principal place of business of the Company is:

Ettalong Beach War Memorial Club Limited  
211 Memorial Avenue  
Ettalong Beach, N.S.W., 2257

**Note 20. Members Guarantee**

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In accordance with the conditions in the Constitution, the liability of members in the event of the Club being wound up would not exceed \$5 per member towards meeting any outstanding obligations of the company. As at 30 June 2023 there were 33,044 members (2022: 28,431).

**Note 21. Cash Flow Information**

**(a) Reconciliation of Cash**

Cash at the end of the financial year as shown in the Statement of Cash Flow is reconciled to items in the Statement of Financial Position as follows:

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
Cash on Hand	6	467,938	454,814
Other financial assets-Investments	6	1,006,041	3,989,845
		<u>1,473,979</u>	<u>4,444,659</u>

**Ettalong Beach War Memorial Club Limited**  
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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Note 21. Cash Flow Information (cont'd)</b>		
<b>(b) Reconciliation of Cash Flow from Operations with Current Year Surplus After Income Tax</b>		
Operating profit/(loss) after income tax	2,055,488	1,350,620
(Loss) / profit on disposal of plant & equipment	(16,500)	3,015
Depreciation Property Plant and Equipment	1,671,652	1,602,813
Changes in net assets and liabilities:		
(Increase)/Decrease in Receivables	(425,638)	12,316
(Increase)/Decrease in Inventories	8,122	(10,478)
(Increase)/Decrease in Other current assets	(506,477)	49,610
(Increase)/Decrease in Other current assets	(12,185)	15,311
Increase/(Decrease) Trade creditors and accruals	331,511	(54,464)
Increase/(Decrease) in Provisions	322,596	149,415
Cash Flows provided by Operating activities	3,428,569	3,118,158

**Note 22. Contingent Liabilities**

Since 2012, the Club and Gosford City Council are parties to a Deed. Council claims that the Club is liable to pay Council \$300,000 under the terms of the Deed. The Club denies such liability exists and is strenuously defending its position in conjunction with its legal advisers.

During the year, a claim for damages has been brought against the Club with respect to a contractual arrangement.

The Club after 30 June 2023 year end, but before signing the financial statements has concluded negotiations and settled with the claimant. The Club has made provision for this settlement in the financial report at Note 13 Provisions. The amount provided by the Club is not an admission of guilt and is the best estimate of costs to settle the claim with the claimant.

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**Notes To the Financial Statements**  
**For The Year Ended 30 June 2022**

**Note 23. Capital Commitments**

There were no other capital commitments entered into by the company at 30 June 2023, and up to date of this report.

**Note 24. Events after the Reporting Period**

Other than the item noted above in Note 22, in the interval between the end of the financial year and the date of this report, no transactions or event of material and unusual nature has arisen to significantly affect the operation of the Club, the results of those operations, or the state of affairs of the Club in the future financial years.

**Note 25. Controlled Entities**

	Country of Incorporation	Percentage Owned (%)	Percentage Owned (%)
Ettalong Facilities Pty Ltd	Australia	100	100
Ettalong Facilities Two Pty Ltd	Australia	100	100
Tonmarp Pty Ltd	Australia	7.4	7.4