

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586

FINANCIAL REPORT
FOR THE YEAR ENDED

30 June 2023

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
DIRECTORS' REPORT

The directors present their report together with the financial report of Taree Aquatic Club Limited ("the Company") for the financial year ended 30 June 2023 and the auditor's report thereon.

Directors

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

Mr Gary Gates	President Appointed 22 August 1993 Motor dealer and company director
Mr William Nelson	Vice President Appointed 15 September 1996 Owner of Carpet Court
Mr David Hardaker	Club Commodore Appointed 21 November 2010 Wine Sales Representative
Mr Adam Cause	Appointed 6 September 1998 Manning Mowers & Chainsaws
Mr. Terry Vittali	Appointed 30 November 2002 Builder
Mr Lawrence Dege	Appointed 10 February 2021 Retired

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

Company Secretary

Mr Peter Hemingway was appointed Company Secretary on 30 April 2022. He is the Secretary Manager for the Club and has management experience from positions within the Club industry.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
DIRECTORS' REPORT

Meetings of Directors

During the financial year, 8 meetings of directors were held. Attendances were:

	DIRECTORS' MEETINGS	
	Number eligible to attend	Number Attended
Mr Gary Gates	8	3
Mr Adam Cause	8	8
Mr Lawrence Dege	8	8
Mr David Hardaker	8	7
Mr William Nelson	8	7
Mr Terry Vittali	8	6

Principal Activities

The principal activity of the Company during the year to 30 June 2023 was a registered club.

There were no significant changes in the nature of the activities of the Company during the year.

Review & Results of Operations

The Company continued to operate the Taree Aquatic Club during the year ended 30 June 2023.

The operating loss of the Company after providing for income tax amounted to \$214,612 (2022: loss of \$148,879).

Dividends

As the Company is a company limited by guarantee it is prohibited by its constitution from paying dividends.

State of Affairs

In the opinion of the Directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
DIRECTORS' REPORT

After Balance Date Events

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.

Future Developments

The Directors continue to strive to improve the facilities available to members and to improve the operating result.

Indemnifying and Insurance of Officers and Auditor

During or since the end of the financial year the Company has not given an indemnity or entered into an agreement to indemnify any person who is or has been an officer or auditor of the Company.

The company has paid premiums to insure officers of the Company against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director or officer of the Company other than conduct involving a willful breach of duty in relation to the Company. Provisions of the policy prohibit disclosure of details of the policy.

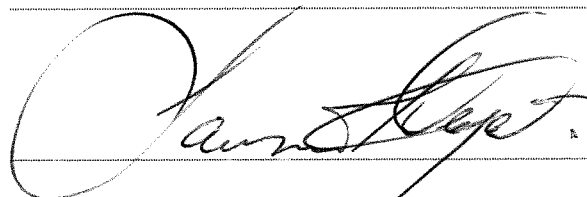
Auditor's Independence Declaration

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

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



TERRY VITALI
Gary Gates
President DIRECTOR



Lawrence Dege
Director

Dated this 27th September 2023

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
TAREE AQUATIC CLUB LIMITED**

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there has been:

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



Rhonda Futterleib

27th September 2023

22 Pulteney Street, Taree 2430

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
Revenue and other income	2	2,170,771	1,507,617
Net finance income	3	10,336	1,532
Employee expenses		(977,763)	(655,852)
Depreciation & amortisation expense	11	(215,976)	(202,675)
Other expenses	4	(1,214,742)	(804,314)
Profit/(loss) before income tax expense/(benefit)		(227,374)	(153,692)
Income tax (expense)/benefit	5(a)	12,762	4,813
Profit/(loss) after income tax expense/(benefit)		(214,612)	(148,879)
Total comprehensive income		(214,612)	(148,879)

The accompanying notes form part of these financial statements.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	2023 \$	2022 \$
Balance at beginning of period	3,192,701	3,341,580
Profit/(loss) for the period	(214,612)	(148,879)
Total comprehensive income for the period	(214,612)	(148,879)
Balance at end of period	2,978,089	3,192,701

The accompanying notes form part of these financial statements.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash & cash equivalents	7	209,045	218,877
Trade & other receivables	8	52,450	62,324
Inventories	9	42,908	29,136
Financial assets	10	918,771	907,404
TOTAL CURRENT ASSETS		<u>1,223,174</u>	<u>1,217,741</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	1,855,600	1,827,078
Intangible assets	12	354,256	354,256
Deferred tax assets	5(d)	40,123	21,370
TOTAL NON-CURRENT ASSETS		<u>2,249,979</u>	<u>2,202,704</u>
TOTAL ASSETS		<u>3,473,153</u>	<u>3,420,445</u>
CURRENT LIABILITIES			
Trade & other payables	13	156,229	73,860
Current tax liabilities	5(b)	-	(464)
Financial liabilities	14	75,776	10,124
Employee benefits	15	72,908	53,226
Deferred income	16	22,115	23,877
TOTAL CURRENT LIABILITIES		<u>327,028</u>	<u>160,623</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities	5(c)	8,754	2,954
Financial liabilities	14	110,119	24,522
Employee benefits	15	49,163	39,645
TOTAL NON-CURRENT LIABILITIES		<u>168,036</u>	<u>67,121</u>
TOTAL LIABILITIES		<u>495,064</u>	<u>227,744</u>
NET ASSETS		<u>2,978,089</u>	<u>3,192,701</u>
EQUITY			
Contributed equity	17	-	-
Retained profits		2,978,089	3,192,701
TOTAL EQUITY		<u>2,978,089</u>	<u>3,192,701</u>

The accompanying notes form part of these financial statements.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers/members		2,354,680	1,626,298
Payments to suppliers and employees		(2,239,835)	(1,560,447)
Interest received		11,386	1,678
Interest paid		(1,085)	(171)
Income taxes paid		273	7,995
Net GST Paid to ATO		(30,559)	(10,998)
Net cash provided by (used in) operating activities	21	94,860	64,355
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(244,574)	(2,125)
Redemption/(purchase) of financial assets		(11,367)	(151,659)
Net cash provided by (used in) investing activities		(255,941)	(153,784)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds/(Repayment) from/of borrowing		151,249	(9,038)
Net cash provided by (used in) investing activities		151,249	(9,038)
Net increase in cash held		(9,832)	(98,467)
Cash & cash equivalents at 1 July 2022		218,877	317,344
Cash & cash equivalents at 30 June 2023	7	209,045	218,877

The accompanying notes form part of these financial statements.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1: MATERIAL ACCOUNTING POLICY INFORMATION

The financial report covers Taree Aquatic Club Limited as an individual entity. The Company is domiciled in Australia.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board and the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of preparation

The financial report is presented in Australian dollars and has been prepared on an accrual's basis and is based on historical costs. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

The financial report was approved by the Directors on 27th September 2023.

Estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Financial Instruments

Non derivative financial instruments

Non derivative financial instruments comprise investments in debt securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non derivative financial instruments are initially recognised at fair value. Subsequent to initial recognition non derivative financial instruments are measured at fair value.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Cash & cash equivalents

Cash and cash equivalents comprise cash on hand and at call deposits with banks or financial institutions. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade & other receivables

Trade and other receivables are stated at their amortised cost less impairment losses.

Investments

If the Company has the positive intent to hold debt securities to maturity, then they are classified as amortised cost investments. Amortised cost investments are measured at amortised cost using the effective interest rate method less any impairment losses.

Trade & other payables

Trade and other payables are stated at their cost.

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Cost includes expenditures directly attributable to the acquisition of the asset. The costs of day to day servicing of property, plant and equipment are recognised in the profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within other income or other expenses in the profit or loss.

Depreciation

The depreciable amount of all plant & equipment is depreciated on a straight line basis over their useful lives commencing from the time the asset is held ready for use. Land is not depreciated. Rates and methods are reviewed annually for appropriateness.

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

<i>Class of depreciable asset</i>	<i>Depreciation Rate</i>
General furniture and floorcoverings	5 – 40%
Buildings & roadworks	2.5%
Bar plant, fittings & equipment	10 – 25%
Poker machines	30 – 40%
Catering plant & equipment	13.5 – 25%
Sailing Club plant & equipment	20 – 25%
Keno equipment	10 – 25%
Motor Vehicles	30%
Slipway & jetty	5%

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Impairment

At each reporting date the Company reviews the carrying values of its financial assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the difference between the assets carrying amount and the estimated future cash flows discounted at the original effective interest rate is recognised through the profit and loss as an impairment loss.

The carrying value of the Company's non financial assets are also reviewed at each reporting date to determine if there is an indication of impairment. If an indication exists then the assets recoverable amount, being the higher of its value in use and its fair value less costs to sell, is estimated. An impairment loss is recognised in the profit and loss if the carrying amount exceeds the recoverable amount.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs for completion and selling expenses.

Leases

Leases are capitalised, recognising a right to use asset and a lease liability.

The right to use asset is initially recognised at the present value of the lease payments that are unpaid at the date of recognition. Lease payments are discounted at the interest rate implicit in the lease.

The lease liability is initially recognised at the carrying amount of the right to use asset increased by the interest on the lease liability.

Right of use assets are depreciated on a straight-line basis over their estimated useful lives.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period

Employee benefits

Short-term benefits

Liabilities for employee benefits for wages, annual leave and sick leave arising from services rendered by employees to balance date represent present obligations. Employee benefits expected to be settled within one year have been measured at the amount expected to be paid when the liability is settled, plus related on-costs, such as workers' compensation insurance and payroll tax.

Long-term benefits

Other employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. The discount rate is the yield at reporting date on AA credit rated or government bonds that have maturity dates approximating the Company's obligations.

Superannuation

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

Intangible assets

Intangible assets acquired by the Company which have an infinite life are measured at cost, are not amortised and are shown net of any impairment losses.

Poker machine entitlements are considered to have an infinite life as they are expected to continue unless cancelled by the gaming authority.

Income Tax

Income tax expense comprises current and deferred tax. Income tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Comparative Figures

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

Revenue

Revenue from the sale of goods is recognised (net of returns, discounts and allowances) when control of the goods passes to the customer.

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

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

Finance income

Finance income comprises interest revenue on funds invested. It is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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 (ATO). In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of the GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the Statement of Financial Position. Cashflows are included in the Statement of Cashflows on a gross basis. The GST components of cashflows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cashflows.

Segment reporting

A segment is a distinguishable component of the Company that is engaged in either providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

New standards and interpretations not yet adopted

The Directors consider that new standards and interpretations currently issued but not yet applicable will not have a significant impact on the Company's financial report.

NOTE 2: REVENUE AND OTHER INCOME	2023 \$	2022 \$
Revenue		
— Bar operations	717,944	525,849
— Catering	308,801	52,000
— Gaming & competitions	1,091,689	808,595
	<u>2,118,434</u>	<u>1,386,444</u>
Other income		
— COVID 19 grants/flood grants	-	73,074
— Subscriptions	24,621	24,514
— Sailing Club	14,028	4,455
— Other income	13,688	19,130
	<u>52,337</u>	<u>121,173</u>
TOTAL REVENUE	<u>2,170,771</u>	<u>1,507,617</u>

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 3: NET FINANCE INCOME	2023	2022
	\$	\$
Interest revenue from other persons	11,421	1,703
Interest expense right to use assets	(1,085)	(171)
Net interest revenue / (expense)	<u>10,336</u>	<u>1,532</u>

NOTE 4: OTHER EXPENSES

Cost of Goods Sold	402,686	207,241
Audit fees	18,851	18,022
Net loss on disposal of non-current assets:		
— property, plant and equipment	76	-
Competition and gaming expenses	214,311	89,678
Repairs & maintenance	142,560	141,679
Movement in employee benefits	29,200	(26,505)
Insurance	71,196	47,105
Member expenses	69,860	43,323

NOTE 5: INCOME TAX

Recognised in the Statement of Comprehensive Income:

a. Income tax expense		
Profit/(loss) before tax	(227,374)	(153,692)
Income tax using corporate tax rate 25%	(56,844)	(38,423)
Increase in income tax expense due to:		
— non-deductible depreciation	(171)	(175)
	<u>(57,015)</u>	<u>(38,598)</u>
Decrease in income tax expense due to:		
— Income attributable to members	44,253	33,785
Income tax expense/(benefit) on pre tax net profit	<u>(12,762)</u>	<u>(4,813)</u>

Income tax expense		
— Current income tax expense/ (benefit)	191	-
— Deferred income tax expense/ (benefit)	(12,953)	(4,813)
Total income tax expense/ (benefit) in Statement of Comprehensive Income	<u>(12,762)</u>	<u>(4,813)</u>

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 5: INCOME TAX Con't		
b. Current tax payable		
Movements during the year		
— Balance at beginning of year	(464)	(8,459)
— Income tax (paid)/refunded	273	7,995
— Current year income tax expense/ (benefit)	191	-
	-	(464)
c. Deferred tax liabilities		
Deferred tax liabilities are attributable to the following:		
Trade & other receivables	119	114
Property, plant & equipment	8,635	2,840
	8,754	2,954
d. Deferred tax assets		
Deferred tax assets are attributable to the following:		
Employee benefits	5,014	3,025
Superannuation payable	106	1,506
Carried forward tax losses	35,003	16,839
	40,123	21,370

NOTE 6: RELATED PARTY TRANSACTIONS

a. Key management personnel remuneration		
Short term salary benefits paid to all key management personnel of the Company by the Company and any related parties	103,630	104,281
Post employment superannuation benefits paid to all key management personnel of the Company by the Company and any related parties	9,905	9,466
	113,535	113,747

The names of key management personnel during the financial year are:

Mr Gary Gates – Director
Mr Adam Cause – Director
Mr Lawrence Dege – Director
Mr David Hardaker – Director
Mr William Nelson – Director
Mr Terry Vittali – Director
Mr Peter Hemingway – Secretary Manager

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 6: RELATED PARTY TRANSACTIONS con't

b. Key Management Personnel Transactions

All key management personnel are provided use of the Club and its facilities on the same terms and conditions as other members.

During the year the following key management personnel provided services to the Club:

Mr Terry Vittali has a financial interest in Vittali Building Co. Vittali Building Co provided construction services to the Club during 2023: \$6,094 (2022: \$NIL).

NOTE 7: CASH & CASH EQUIVALENTS	2023	2022
	\$	\$
Cash on hand	60,066	60,066
Cash at bank		
General Account	61,454	124,096
Keno Account	65,035	21,574
Visa Account	7	738
Sailing Club Accounts	22,483	12,403
	<u>209,045</u>	<u>218,877</u>

Amounts are at call. The effective interest rate at 30 June 2023 on all accounts was between 0% and 0.1% (2022: 0-0.1%)

Reconciliation of Cash

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

Cash	<u>209,045</u>	<u>218,877</u>
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TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 8: TRADE & OTHER RECEIVABLES	2023	2022
CURRENT	\$	\$
Eftpos/ATM Clearing	12,091	8,979
Sundry debtors	5,723	15,419
Prepayments	24,472	28,797
Accrued interest	164	129
Security deposits	10,000	9,000
	52,450	62,324

Amounts are non-interest bearing. None of the Company's receivables are past due (2022: NIL). The Company's receivables are aged 0 – 60 days.

NOTE 9: INVENTORIES

Inventory held for resale - at cost	42,908	29,136
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NOTE 10: FINANCIAL ASSETS

Amortised cost investments

Greater Building Society term deposits	918,771	907,404
	918,771	907,404

Effective interest rate 30 June 2023 was 3.23% (2022: 0.20%) maturing 4 September 2023.

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Land – Macquarie Street Taree - at cost	16,566	16,566
Buildings – Macquarie Street Taree - at cost	2,316,248	2,308,685
Accumulated depreciation	(1,047,673)	(968,248)
	1,268,575	1,340,437
Roadwork's - at cost	15,243	15,243
Accumulated depreciation	(9,260)	(8,879)
	5,983	6,364

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 11: PROPERTY, PLANT AND EQUIPMENT con't		
Land & Buildings – 2 Macquarie Street Taree	136,489	136,489
Accumulated depreciation	(18,173)	(17,218)
	<u>118,316</u>	<u>119,271</u>
Bar plant, fittings & equipment - at cost	89,268	89,268
Accumulated depreciation	(71,536)	(68,441)
	<u>17,732</u>	<u>20,827</u>
Catering plant and equipment - at cost	197,956	146,924
Accumulated depreciation	(105,924)	(88,476)
	<u>92,032</u>	<u>58,448</u>
Poker machines - at cost	1,393,800	1,307,696
Accumulated depreciation	(1,213,581)	(1,215,547)
	<u>180,219</u>	<u>92,149</u>
General plant, furniture & floor coverings - at cost	455,966	450,195
Accumulated depreciation	(370,216)	(349,127)
	<u>85,750</u>	<u>101,068</u>
Glassware, cutlery & crockery - at cost	<u>8,920</u>	<u>7,524</u>
Sailing Club plant & equipment - at cost	31,045	31,045
Accumulated depreciation	(28,322)	(27,640)
	<u>2,723</u>	<u>3,405</u>
Keno equipment – at cost	2,047	2,047
Accumulated depreciation	(2,010)	(2,004)
	<u>37</u>	<u>43</u>
Motor Vehicle – at cost	34,136	34,136
Accumulated Depreciation	(28,337)	(27,160)
	<u>5,799</u>	<u>6,976</u>

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
NOTE 11: PROPERTY PLANT & EQUIPMENT con't	\$	\$
Slipway & jetty – at cost	40,602	40,602
Accumulated Depreciation	(22,216)	(21,249)
	18,386	19,353
Right of use assets	40,661	45,191
Accumulated amortisation	(6,099)	(10,544)
	34,562	34,647
Total Property, Plant and Equipment	1,855,600	1,827,078

b. Movements in Carrying Amounts

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

	Balance at beginning of year	Additions	Disposals/ Transfers	Depreciation expense	Carrying amount at end of year
	\$	\$	\$	\$	\$
Land	16,566	-	-	-	16,566
Buildings	1,340,437	7,563	-	(79,425)	1,268,575
Road-works	6,364	-	-	(381)	5,983
Land & Buildings 2 Macq St	119,271	-	-	(955)	118,316
Bar plant, fittings & equip	20,827	-	-	(3,095)	17,732
Catering plant and equipment	58,448	51,032	-	(17,448)	92,032
General plant, furniture & flooring	101,068	3,266	-	(18,584)	85,750
Poker machines	92,149	170,784	(76)	(82,638)	180,219
Glass, cutlery & crockery	7,524	1,396	-	-	8,920
Sailing Club plant & equipment	3,405	-	-	(682)	2,723
Motor Vehicle	6,976	-	-	(1,177)	5,799
Keno	43	-	-	(6)	37
Slipway & jetty	19,353	-	-	(967)	18,386
Right of use assets	34,647	10,533	-	(10,618)	34,562
Total	1,827,078	244,574	(76)	(215,976)	1,855,600

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$

Core Property

For the purposes of the Registered Clubs Act land and buildings at 1 Macquarie Street Taree are core property. Property at 2 Macquarie Street Taree is non-core property.

NOTE 12: INTANGIBLE ASSETS

Poker machine license entitlements	354,256	354,256
	<hr/>	<hr/>
Balance at beginning of period	354,256	354,256
Acquisitions	-	-
	<hr/>	<hr/>
Balance at end of period	354,256	354,256

Poker machine license entitlements represent purchased entitlements. Existing entitlements created at nil cost have not been brought to account.

Poker machine entitlements have been determined to have indefinite useful lives on the basis that there is no set expiry or cancellation date. The carrying amount of the entitlements was tested at 30 June 2023 against a fair market value to check whether they were disclosed in excess of their recoverable amount. The result was the value of entitlements was equivalent to the cost of the entitlements and therefore no provision for impairment is considered necessary at 30 June 2023.

NOTE 13: TRADE & OTHER PAYABLES

CURRENT

Trade creditors	21,846	15,789
Other Creditors	91,110	65,410
GST Liabilities	43,273	(7,339)
	<hr/>	<hr/>
	156,229	73,860

Amounts are non-interest bearing. Creditors are expected to be paid within 60 days.

TAREE AQUATIC CLUB LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 14: FINANCIAL LIABILITIES	2023	2022
	\$	\$
CURRENT		
Lease Liabilities	13,155	10,124
Finance leases	62,621	-
	<u>75,776</u>	<u>10,124</u>
NON-CURRENT		
Lease Liabilities	21,406	24,522
Finance leases	88,713	-
	<u>110,119</u>	<u>24,522</u>

a) Lease liabilities

Lease liability comprises:

- Hire purchase agreements for poker machines expiring within 12 months to 5 years. At the end of the hire purchase term the company owns the equipment.
- Operating lease commitments expiring within 5 years. At the end of the lease period the company does not own the equipment.

NOTE 15: EMPLOYEE BENEFITS

CURRENT		
Annual leave/RDO's	60,616	45,014
Long service leave	12,292	8,212
	<u>72,908</u>	<u>53,226</u>
NON-CURRENT		
Long service leave	49,163	39,645
	<u>49,163</u>	<u>39,645</u>

NOTE 16: DEFERRED INCOME

Income in advance - subscriptions	<u>22,115</u>	<u>23,877</u>
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NOTE 17: CONTRIBUTED EQUITY

The Company is a company limited by guarantee.

If the Company is wound up, the articles of association state that each member is required to contribute to a maximum of \$2.00 towards meeting any outstanding obligations of the Company.

As at 30 June 2023, there were 5,124 (2022: 5,176) members of the Company.

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 18: CAPITAL AND LEASING COMMITMENTS

Lease Commitments

During the year the company paid \$1,555 (2022: \$2,251) in rent for occupancy of Crown Land. This amount is based on an annual charge by the Crown Lands Department.

Capital Expenditure Commitments

At the date of this report the company have no capital commitments.

NOTE 19: STATEMENT OF OPERATIONS BY SEGMENTS

The Company operates in the registered club industry in Australia.

NOTE 20: EVENTS SUBSEQUENT TO REPORTING DATE

No matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent years.

NOTE 21: CASH FLOW INFORMATION

	2023	2022
	\$	\$
a. Reconciliation of Cash Flow from Operations with Profit/(Loss) after Income Tax		
Profit/(loss) after income tax	(214,612)	(148,879)
Non-cash flows in profit		
(Profit)/Loss on sale of non-current assets	76	-
Income taxes payable	(12,489)	3,182
Depreciation	215,976	202,675
Changes in assets and liabilities		
Decrease/(increase) inventories	(13,772)	(660)
Decrease/(increase) trade & other receivables	9,874	(4,096)
Increase/(decrease) in trade creditors and accruals	82,369	38,738
Increase/(decrease) in employee benefits	29,200	(26,505)
Increase/(decrease) in deferred income	(1,762)	(100)
Cash flows from operations	94,860	64,355

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 22: FINANCIAL RISK MANAGEMENT

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its obligations and arises principally from the Company's receivables from customers. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and the Notes to the Financial Statements.

Trade and other receivables

The Company's exposure is influenced mainly by the individual characteristics of each customer. The majority of receivables are from daily trading activities and are received within 5 business days.

Investments

The Company limits its exposure to credit risk by investing in higher interest rate deposits with reputable finance companies.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. To ensure it can meet its obligations it invests excess funds in higher interest rate deposits, it only undertakes capital works when funds are available from monies invested and maintains a positive cash balance in its bank accounts at all times.

Market risk

Market risk is the risk that changes in market conditions will affect the Company's income. The Company has significant exposure to market risk as it is reliant on the continued use by patrons of its gaming facilities. Government initiatives such as the banning of smoking indoors has had an impact on this risk area and will continue to do so in future years.

Interest rate risk

Investments in held to maturity investments are not exposed to interest rate risk and they are invested at a fixed interest rate and short term receivables and payables are not exposed to interest rate risk as they are non interest bearing.

Fair value

Unless otherwise stated carrying amounts disclosed on the Statement of Financial Position are the fair value of the financial assets and liabilities.

NOTE 23: COMPANY DETAILS

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

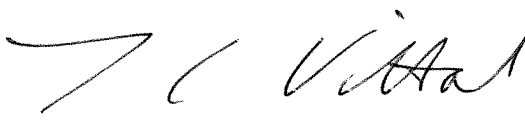
1 Macquarie Street
Taree NSW 2430

TAREE AQUATIC CLUB LIMITED
ABN 68 001 050 586
DIRECTORS' DECLARATION

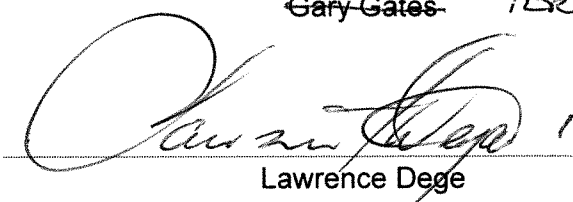
In the opinion of the directors of Taree Aquatic Club Limited

1. the financial statements and notes, as set out on pages 6 to 23 are in accordance with the Corporations Act 2001, including:
 - a. complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001; and
 - b. give a true and fair view of the financial position of the Company as at 30 June 2023 and its performance for the financial year ended on that date; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director 

~~Gary Gates~~ TERRY VITALI

Director 

Lawrence Dege

Dated this 27th September 2023

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF TAREE AQUATIC CLUB LIMITED**

Report on the Financial Report

Opinion

I have audited the financial report of Taree Aquatic Club Limited (the Company), which comprises the Statement of Financial Position as at 30 June 2023, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies, and the Directors' Declaration.

In my opinion, the accompanying financial report of Taree Aquatic Club Limited, is in accordance with the Corporations Act 2001, including:

- (a) 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
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I 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.

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

Other Information

The directors 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 my auditor's report thereon. My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I 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 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.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF TAREE AQUATIC CLUB LIMITED

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

My 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 my 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 my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of my auditor's report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion.

My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF TAREE AQUATIC CLUB LIMITED**

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Rhonda Futterleib

Address: 22 Pulteney Street, Taree, NSW, 2430

Dated this 28th day of September 2023