

**Terrigal Memorial Country Club Limited
Trading as Breakers Country Club
ABN 33 000 826 086**

**Annual Report
For The Financial Period Ended
20 March 2022**

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**Annual Report
For The Period Ended 20 March 2022**

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Terrigal Memorial Country Club Limited
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Directors' Report

Your Directors present their report on the company for the financial period ended 20 March 2022.

Directors

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

<i>Lance Harrigan:</i>	Chairperson. Retired: Elected October 2014. Member of Executive, Sponsorship & Strategic Planning Committees.
<i>Gavin Bryant:</i>	Deputy Chairperson. Retired: Elected in 2003. Member of Executive Strategic Planning and House Committees.
<i>Bruce Grant:</i>	Director. Retired: Elected 18 October 2015 Member of Executive, Grounds, Strategic Planning and Sponsorship Committees.
<i>John Strong:</i>	Director. Retired: Elected in 2011. Member of Strategic Planning, House and Citation Committees.
<i>Harry Ward:</i>	Director. Retired: Elected October 2014. Member of Grounds, House, Strategic Planning and Citation Committees.
<i>Peter Wilson:</i>	Director. Retired: Elected 18 October 2015. Member of Grounds and Strategic Planning Committees.
<i>Bronwyn Dwyer:</i>	Director. Solicitor. Elected 10 October 2018 Member of Sponsorship, Strategic Planning & Citation Committees.

Directors have been in office since the start of the financial year unless otherwise stated.

Company Secretary

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

<i>Kenneth Pearson:</i>	Company Secretary: was appointed company secretary on 29 September, 1997.
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Principal Activities

The Company's former principal activities was that of a Licensed Club and to promote and conduct sporting activities for members and their guests.

The Company successfully amalgamated with Mount Pritchard & District Community Club Ltd on the 20 March 2022, there is no longer a purpose for the Company and it has been proposed that the Company undertake a voluntary liquidation at a meeting scheduled for the 5 June 2022.

Short-term and long-term Objectives

The company's objectives is to complete its amalgamation with Mount Pritchard & District Community Club Ltd and then complete a voluntary liquidation of the company.

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Directors' Report

Key Performance Measures

The company measures its performance up to the 20 March 2022 through the use of both quantitative and qualitative benchmarks. Measures used by the company for its performance:

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

Operating Results

The loss for the company for the period ended 20 March 2022 amounted to \$19,446 (profit 2021: \$787,103).

Dividends

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

Review Of Operations

During the period ended 20 March 2022 the Company continued its activities as a registered Club until it's amalgamation with Mount Pritchard & District Community Club Ltd on the 20 March 2022.

In addition, the State Government announced the closure of all Registered Clubs effective from 26th June 2021 in accordance with the Public Health Order, with all Clubs ceasing trade and not reopening to the 11 October 2021 with restrictions on trading in place. The Club recommenced trading on the 11 October 2021.

Whilst the club continues to maintain an operational and cash flow budget which are reviewed monthly, it is important to note that the Club's trade maybe be inconsistent which may have a direct impact on the financial performance of the Club. These fluctuations in trade are being managed by the executive and Directors as best as possible and changes to operations are made if the variances indicate that changes are required.

Membership

As at 20 March 2022 there were 12,740 members of the Company.

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 20 March 2022 the total amount that members of the company are liable to contribute if the company is wound up is \$63,700 (2021: \$74,770).

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Directors' Report

Events subsequent to year end

Amalgamation with the Mounties Group

The Company successfully amalgamated with Mount Pritchard & District Community Club Ltd on the 20 March 2022. After the amalgamation, the Directors have assessed that there is no longer a purpose for the Company and has been proposed for the Company to undertake a voluntary liquidation at a meeting scheduled for the 5 June 2022

Auditors Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 8 of the financial report.

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



Director

Dated: 27 May 2022

**Auditors Independence Declaration
under Section 307C of the Corporations Act 2001
to the Directors of Terrigal Memorial Country Club Limited**

As lead auditor for the audit of Terrigal Memorial Country Club Limited for the period ended 20 March 2022,
I declare that, to the best of my knowledge and belief, there have been:

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

FORTUNITY ASSURANCE



Adrian Thompson
Partner

155 The Entrance Road
ERINA NSW 2250s

Dated: 27 May 2022

Independent Audit Report to the Members Of Terrigal Memorial Country Club Limited

Report on the Financial Report

Opinion

We have audited the financial report of Terrigal Memorial Country Club Limited (the company), which comprises the statement of financial position as at 20 March 2022, the statement of profit or loss and other comprehensive income, statement of changes equity and statement of cash flows for the period 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 Terrigal Memorial Country 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 20 March 2022 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards Simplified Disclosure 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Company successfully amalgamated with Mount Pritchard & District Community Club Ltd on the 20 March 2022. On the completion of the amalgamation, the Directors have assessed that there is no longer a purpose for the Company and a voluntary liquidation has been proposed and scheduled for the 5 June 2022.

The announcement of the amalgamation and voluntary liquidation results in the Club no longer being required to prepare the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's reports for the period 20 March 2022, 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.

Independent Audit Report To The Members Of Terrigal Memorial Country Club Limited

Other Information (continued...)

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.

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.

**Independent Audit Report To The Members
Of Terrigal Memorial Country Club Limited**

Auditor's Responsibilities for the Audit of the Financial Report (continued...)

- 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.
- 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.

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: 27 May 2022

Terrigal Memorial Country Club Limited
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Directors' Declaration

The directors of the company declare that:

1. The financial statements and the notes, as set out on pages 11 to 32 are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards – Simplified Disclosures, the *Corporations Act 2001* and other mandatory reporting requirements; and
 - (b) give a true and fair view of the financial position as at 20 March 2022 and of the performance for the period 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 up until the voluntary liquidation of the company on the 5 June 2022.

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


Director

Dated: 27 May 2022

Terrigal Memorial Country Club Limited
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Statement of Profit or Loss & Other Comprehensive Income
For The Year Ended 20 March 2022

	Note	Period Ended 20 March 2022 \$	Year Ended 30 June 2021 \$
Revenues	2	4,777,505	10,534,339
Cost of goods sold		(754,396)	(1,805,203)
Employee benefits expense		(1,611,094)	(3,362,140)
Depreciation and amortisation	3	(723,014)	(1,077,071)
Interest Expense		(10,656)	(52,231)
Power and Gas		(104,040)	(161,960)
Repairs and Maintenance		(318,270)	(508,560)
Other expenses		(1,275,481)	(2,780,071)
Current period/year (Deficit)/Surplus before income tax		(19,446)	787,103
Income tax expense	1(b)	-	-
Net current period/year (Deficit)/Surplus		(19,446)	787,103
Other Comprehensive Income		-	-
Total Comprehensive Income for the period / year		(19,446)	787,103

The accompanying notes form part of these financial statements.

Terrigal Memorial Country Club Limited
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Statement of Financial Position
As At 20 March 2022

	Note	20 March 2022 \$	30 June 2021 \$
Assets			
Current Assets			
Cash	4	386,054	1,879,598
Trade and other receivables	5	8,774	23,102
Inventories	6	64,901	104,724
Other current assets	7	6,755	218,681
Total Current Assets		466,484	2,226,105
Non-Current Assets			
Property, plant & equipment	8	11,682,707	11,719,472
Intangible Assets	9	205,432	205,432
Total Non-Current Assets		11,888,139	11,924,904
Total Assets		12,354,623	14,151,009
Current Liabilities			
Trade and other payables	10	139,913	853,604
Provisions	11	388,578	392,478
Borrowings	12	-	17,924
Total Current Liabilities		528,491	1,264,006
Non-Current Liabilities			
Provisions	11	-	41,425
Borrowings	12	-	1,000,000
Total Non-Current Liabilities		-	1,041,425
Total Liabilities		528,491	2,305,431
Net Assets		11,826,132	11,845,578
Members Funds			
Retained surplus		11,192,392	11,211,838
Reserves	23	633,740	633,740
Total Members Funds		11,826,132	11,845,578

The accompanying notes form part of these financial statements

Terrigal Memorial Country Club Limited
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Statement of Changes in Members Funds
For the Period Ended 20 March 2022

	Retained Earnings	Asset Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 July 2021	10,424,735	633,740	11,058,475
Surplus for the year attributable to members of the company	787,103	-	787,103
Other Comprehensive Income	-	-	-
Balance at 30 June 2021	<u>11,211,838</u>	<u>633,740</u>	<u>11,845,578</u>
Loss for the period attributable to members of the company	(19,446)	-	(19,446)
Other Comprehensive Income	-	-	-
Balance at 20 March 2022	<u>11,192,392</u>	<u>633,740</u>	<u>11,826,132</u>

The accompanying notes form part of these financial statements

Terrigal Memorial Country Club Limited
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Statement of Cash Flows
For The Year Period Ended 20 March 2022

	Note	20 March 2022 \$	30 June 2021 \$
Cash Flows from Operating Activities			
Receipts from members, guests & visitors		5,108,967	11,487,577
Payments to suppliers, employees and payouts		(4,887,681)	(9,491,652)
Interest received		-	3,407
Finance Costs - Interest paid		(10,656)	(52,231)
Net cash generated from operating activities	19(b)	210,630	1,947,101
Cash Flow from Investing Activities			
Proceeds from sale of property, plant & equipment		2,182	156,189
Purchase of property, plant & equipment			
- Land & Buildings etc		(454,790)	(14,000)
- Plant & Equipment & Motor Vehicles		(168,166)	(92,376)
- Poker machines		(65,475)	(196,113)
- Work in Progress		-	(130,568)
Net cash used in investing activities		(686,249)	(276,868)
Cash Flow from Financing Activities			
Repayments of borrowings		(1,017,925)	(1,611,561)
Increase in borrowings		-	-
Net cash used in financing activities		(1,017,925)	(1,611,561)
Net (decrease)/increase in cash held		(1,493,544)	58,672
Cash and cash equivalents at the beginning of the financial year		1,879,598	1,820,926
Cash and cash equivalents at the end of the financial year	19(a)	386,054	1,879,598

The accompanying notes form part of these financial statements.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

The financial statements cover Terrigal Memorial Country Club Limited trading as Breakers Country Club as an individual entity, incorporated and domiciled in Australia. Terrigal Memorial Country Club Limited trading as Breakers Country Club is a company limited by guarantee.

Note 1. Summary Of Significant Accounting Policies

Basis of Preparation

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

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 financial 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 27 May 2022 by the directors of the company.

Going Concern

The Company successfully amalgamated with Mount Pritchard & District Community Club Ltd on the 20 March 2022. On the completion of the amalgamation, the Directors have assessed that there is no longer a purpose for the Company and a voluntary liquidation has been proposed and scheduled for the 5 June 2022.

The announcement of the amalgamation and voluntary liquidation results in the Club no longer being required to prepare the financial statements on a going concern basis.

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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

Under present legislation income derived by the Company is not assessable to income tax as per an exemption granted by the Australian Taxation Office under Division 50 of the Income Tax Assessment Act 1997. The Club has been granted an exemption from income tax for the period 1 July, 2017 to 30 June, 2027.

(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.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

(d) Property Plant and Equipment

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

Freehold Land

Freehold land are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's lengths transaction), based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land are recognised in other comprehensive income and accumulated in the revaluation surplus 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.

Property

Buildings are measured on a cost basis, less subsequent depreciation and impairment of the buildings.

Leasehold Improvements

Leasehold Improvements 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.

Plant and Equipment

Plant and equipment are measured on the costs basis, 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 (e) 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.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

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

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

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

Depreciation

The depreciable amount of all fixed assets, excluding leasehold improvements, is depreciated on a straight line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated 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:

<i>Class of Fixed Asset</i>	<i>Depreciation Rate</i>
Buildings	2.5%
Plant and equipment	10-33%
Leased poker machines	20-25%
Poker machines	20-25%
Leasehold Improvements	10%

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

Asset classes carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains 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.

Lease of Land

A lease was entered into by the Club with Central Coast Council for a period of 21 years from 1 July 2001 for the lease of the Golf Course.

(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.

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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

(e) Impairment of Assets (cont'd)

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 revaluated 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) Finance Leases

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the economic entity, are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum payments, including any guaranteed residual values.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of these lease liability and the lease interest for the period.

(g) 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 bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(h) Members' subscriptions received in advance

Amounts received from members in respect of subscriptions for 2020/2021 are shown in Note 10 - Current Liabilities - Subscriptions received in advance.

(i) Cash on Hand

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.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

(j) Trade and Other Debtors

Trade and other debtors include amounts due from members as well as amounts 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 debtors are classified as non-current assets.

(k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian 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 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.

(l) Provisions

Provision are recognised when the company has a present (legal or constructive) obligations as a result of a past event, it is probable the company will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligations. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(m) 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.

(n) 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.

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Notes To The Financial Statements
For The Period Ended 20 March 2022

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

(n) Financial Instruments (cont'd)

Financial assets

Financial assets that are within the scope of the accounting standards are required to be subsequently 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 *AASB 9 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) Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other financial costs are expensed in the period in which they are incurred.

(p) Customer Loyalty Programs

The company operated a loyalty program where customers accumulate points for dollars spent. The reward 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.

(q) Intangible assets

Poker machine entitlements purchased by the Club are intangible assets held at costs, less any impairment losses recorded against these assets. These assets have been assessed as having an indefinite useful life as they do not expire and under current government legislation there is no plan to remove such entitlement. As a result the Club tests the entitlements for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired and the carrying values are overstated.

(r) Comparative figures

Where required by Accounting Standards comparative figures have been adjusted to conform with 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.

Terrigal Memorial Country Club Limited
Trading as Breakers Country Club
ABN 33 000 826 086

Notes To The Financial Statements
For The Period Ended 20 March 2022

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

(s) 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 for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There were no Accounting Standards and or Interpretations which will have or have had a material impact on the Club for the year.

(t) Critical Accounting Estimates and Judgements

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 bases 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.

Key estimates

Estimation of useful lives of assets

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

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.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

	20 March 2022	30 June 2021
	\$	\$
Note 2. Revenue and Other Income		
Sales Revenue:		
- Sale of Goods - Bar Sales	928,537	2,439,161
- Poker Machine – Net Clearances	1,577,768	3,706,836
- Sale of Goods - Catering Sales	976,727	2,376,072
Sporting Revenue	528,805	721,632
Total Sales Revenue	4,011,837	9,243,701
Other Revenue:		
Interest Received	-	3,407
Members Subscriptions	233,503	311,721
Other Income	132,046	346,242
Commissions Received – TAB	14,291	43,645
Commissions Received - Keno	35,298	74,432
Total Other Revenue	415,139	779,447
Other Income:		
Insurance Proceeds	-	3,736
Government Subsidies	350,530	507,455
Total Other Income	350,530	511,191
Total Revenue and Other Income	4,777,505	10,534,339
Note 3. Expenses		
Depreciation & Amortisation:		
- plant and equipment and buildings	531,215	712,860
- poker machines	191,799	364,211
Total Depreciation and Amortisation	723,014	1,077,071
Net Gain on disposal of non-current assets	-	30,117

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

	20 March 2022 \$	30 June 2021 \$
Note 4. Cash and Cash Equivalents		
Current:		
Cash at bank	265,661	1,873,412
Cash on hand	120,393	6,186
	386,054	1,879,598
	386,054	1,879,598
Note 5. Trade and Other Receivables		
Current:		
Trade & other receivables	8,774	23,102
	8,774	23,102
	8,774	23,102
Provision for Impairment of Receivables		
<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>		
Note 6. Inventories		
Current:		
At cost:		
Bar stock	46,864	70,673
Catering stock	18,037	34,051
	64,901	104,724
	64,901	104,724
Note 7. Other Current Assets		
Current:		
Prepayments	6,755	218,681
	6,755	218,681
	6,755	218,681

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

	20 March 2022	30 June 2021
	\$	\$
Note 8. Property Plant and Equipment		
Freehold Land		
- at Valuer General's valuation 26 July 2019	1,150,538	1,150,538
	<hr/>	<hr/>
Buildings – Clubhouse & Surrounds		
- at cost	12,693,622	12,064,968
Less Accumulated Depreciation	(4,839,808)	(4,527,207)
Work In Progress	-	130,568
	<hr/>	<hr/>
	7,853,814	7,668,329
	<hr/>	<hr/>
Course Improvements		
- at Cost	1,529,299	1,518,347
Less Accumulated Depreciation	(578,677)	(536,805)
	<hr/>	<hr/>
	950,622	981,542
	<hr/>	<hr/>
Total Land and Buildings	9,954,974	9,800,409
	<hr/>	<hr/>

The Club has adopted fair value measurement and recognition basis for the valuation of Club's freehold land, while buildings and course improvements are measured at cost.

The Club last recorded a fair value adjustment to the carrying value of the Club's land in 26 July 2019, with the Directors annually reviewing the carrying value of freehold land, buildings and course improvements to determine if there is any indication that those assets have been impaired. At period end the Directors believe the value of the Club's land to be fairly stated with no indications of impairment.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

	20 March 2022 \$	30 June 2021 \$
Note 8. Property, Plant and Equipment (cont'd)		
Plant and Equipment – Course & Pro Shop		
- at cost	756,182	763,054
Less Accumulated Depreciation	(591,121)	(585,025)
	165,061	178,029
Plant and Equipment – Club		
- at Cost	2,418,438	2,285,002
Less Accumulated Depreciation	(1,719,329)	(1,592,392)
	699,109	692,609
Plant & Equipment – Bowls		
- at Cost	272,758	272,758
Less Accumulated Depreciation	(144,490)	(132,672)
	128,268	140,086
Total Plant and Equipment	992,438	1,010,724
Motor Vehicles		
- at cost	53,814	53,814
Less Accumulated Depreciation	(19,624)	(14,377)
	34,190	39,437
Total Plant and Equipment and Motor Vehicles	1,026,628	1,050,161
Poker machines		
- at cost	2,769,845	2,745,845
Less Accumulated Depreciation	(2,068,741)	(1,876,943)
	701,104	868,902
Total Property, Plant and Equipment	11,682,707	11,719,472

**Terrigal Memorial Country Club Limited
Trading as Breakers Country Club
ABN 33 000 826 086**

**Notes To The Financial Statements
For The Period Ended 20 March 2022**

Note 8. Property, Plant and Equipment (cont'd)

As per Section S41 j(3) of the Registered Clubs Act the Board of Directors of Terrigal Memorial Country Club Limited trading as Breakers Country Club declare that as of 20 March 2022 the Club owned the following property assets classified as below.

Current use	Classification
Main Club – Land & Buildings and Leasehold Improvements	Core

The Leasehold Land Improvements are vested in Central Coast Council (refer Note 1(d))

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:

	Freehold land & Improvements	Plant, Equipment & Motor Vehicles	Poker Machines	Total
2022	\$	\$	\$	\$
Balance at the beginning of the year	9,800,409	1,050,161	868,902	11,719,472
Additions at cost	454,790	168,166	65,475	688,431
Disposals & transfers	-	(2,182)	-	(2,182)
Depreciation expense	(300,224)	(189,517)	(233,273)	(723,014)
Carrying amount at the end of the year	9,954,975	1,026,628	701,104	11,682,707

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

	20 March 2022	30 June 2021
	\$	\$
Note 9. Intangible Assets		
Poker Machines Entitlements		
- at cost	205,432	205,432
Less Amortisation	-	-
Total Intangibles Assets	205,432	205,432
 Note 10. Trade and Other Payables		
Current:		
Unsecured:		
Trade payables	-	308,926
Other creditors and Accrued expenses	81,343	360,543
Subscriptions received in advance	58,570	184,135
Total Trade and Other Payables	139,913	853,604
 Note 11. Provisions		
Analysis of Total Provisions		
Current:		
Annual Leave	148,305	165,822
Long Service Leave	156,203	138,859
Link Jackpots	64,492	69,756
Other	19,578	20,041
	388,578	392,478
Non Current:		
Long Service Leave	-	41,425
	-	41,425
Total Provisions	433,903	433,903

**Terrigal Memorial Country Club Limited
Trading as Breakers Country Club
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**Notes To The Financial Statements
For The Period Ended 20 March 2022**

	20 March 2022 \$	30 June 2021 \$
Note 12. Borrowings		
Current:		
<i>Secured:</i>		
Hire Purchase Liabilities (i)	-	17,924
	-	17,924
Non-Current:		
<i>Secured:</i>		
Bank Loan (i) (iii)	-	1,000,000
	-	1,000,000
Total Borrowings	-	1,017,924

- (i) Effectively secured over the assets involved
- (ii) Bank Loan facilities as at 30 June 2021 amounted to \$1,000,000 in a Business Markets Loan which has been approved by the company's bankers and matures in July 2023. However, as part of the amalgamation the Company has paid out its Bank Loan facilities as at 20 March 2022 and this facility has been cancelled.

Note 13. Remuneration & Benefits of Directors & Executive Officers

(a) Directors Remuneration

The names of the Directors in office during the financial year were as follows:

L Harrigan	G. Bryant	B. Grant	H. Ward
P. Wilson	J. Strong	B. Dwyer	

Aggregate income received, or due and receivable, by the directors of the company in connection with:

- Honorariums	Nil	Nil
	-	-

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

Note 13. Remuneration & Benefits of Directors & Executive Officers (cont'd)

(b) Key Management Personnel Compensation

Total remuneration received or due and receivable by Key Management of the Company for management of the affairs of the Company.

	Total
	\$
20 March 2022	
Total compensation	148,560
2021	
Total compensation	215,859

Note 14. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable.

The totals of each category of financial instruments measured in accordance with *AASB 139* as detailed in the accounting policies to these financial statements are, as follows:

	Notes	20 March 2022 \$	30 June 2021 \$
Financial Assets			
Cash & cash equivalents	4	386,034	1,879,598
Trade and other receivables	5	8,774	23,102
Financial assets	8	-	-
Total Financial Assets		394,828	1,902,700
Financial Liabilities			
Trade and Other Payables	10	139,913	853,604
Borrowings	12	-	1,017,924
Total Financial Liabilities		139,913	1,871,528

The company does not have any derivative instruments as at 20 March 2022.

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

Note 15. Related Party Transactions

(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 2022 \$	Amount 2021 \$
Meals and Drinks and Entertainment	Provided free of Charge	Director related entities	Directors	403	3,252
Club Blazers, Education and Training etc	Provided free of Charge	Director related entities	Directors	2,504	1,902

(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.

Note 16. Events after the Reporting Period

Amalgamation with the Mouties Group

The Company successfully amalgamated with Mount Pritchard & District Community Club Ltd on the 20 March 2022. After the amalgamation, the Directors have assessed that there is no longer a purpose for the Company and has been proposed for the Company to undertake a voluntary liquidation at a meeting scheduled for the 5 June 2022.

Other than the item noted above, 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 17. Contingent Liability

Bank Guarantee

The Company has obtained Bank guarantees in relation to the following:

NSW TAB	-	5,000
	_____	_____

Terrigal Memorial Country Club Limited
Trading as Breakers Country Club
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Notes To The Financial Statements
For The Period Ended 20 March 2022

Note 18. Financial Reporting By Segments

The company operated up to the 20 March 2022 predominantly in one industry that being the operation of a Registered Club, registered under the *Registered Clubs Act 1976*. The Company operates predominantly in one geographical location, being Wamberal, NSW.

	20 March 2022	30 June 2021
	\$	\$
Note 19. Cash Flow Information		
(a) 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 Balance Sheet as follows:		
Cash & cash equivalents	386,054	1,879,598
	386,054	1,879,598
(b) Reconciliation of Cash Flow from Operations with Current Year Surplus after Income Tax		
Profit from operations after income tax	(19,446)	787,103
Non-cash flows:		
Net gains on disposal of Property, Plant & Equipment	-	(30,117)
Depreciation and amortisation of Property, Plant & Equipment	723,014	1,077,071
Changes in net assets and liabilities:		
(Increase)/Decrease in Receivables	14,327	246,607
(Increase)/Decrease in Inventories	39,823	(758)
(Increase)/Decrease in Other current assets	211,926	82,546
Increase/(Decrease) in Payables (current)	(719,419)	(224,583)
Increase/(Decrease) in Provisions (current)	(39,595)	9,232
Cash Flows provided by operating activities	210,628	1,947,101

Terrigal Memorial Country Club Limited
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Notes To The Financial Statements
For The Period Ended 20 March 2022

Note 20. Company Details

The registered office of the company is:

Terrigal Memorial Country Club Limited
 Trading as Breakers Country Club
 64 Dover Road
 WAMBERAL, NSW, 2260.

The principal place of business is:

Terrigal Memorial Country Club Limited
 Trading as Breakers Country Club
 64 Dover Road
 WAMBERAL, NSW, 2260.

Note 21. Members Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$5 each towards meeting any outstanding obligations of the company. As at 20 March 2022 the total amount that members of the company are liable to contribute if the company is wound up is \$63,700 (2021: \$74,770).

	20 March 2022 \$	30 June 2021 \$
Note 22. Lease and Rental Commitments		
Lease Rental Commitments:		
Not later than 1 year	-	10,144
Later than 1 year but not later than 5 years	-	-
Later than 5 years	-	-
	-	10,144
	-	10,144

The Lease Commitments relate to the lease of Land from Central Coast Council (refer Note 1(d))

Note 23. Reserves

Asset Revaluation Reserve		
Balance at beginning of the financial year	633,740	633,740
Movement for the year	-	-
	633,740	633,740
Balance at end of the financial year	633,740	633,740