



**CLUB JERVIS BAY**  
SPIRIT OF THE BAY

**Club Jervis Bay Ltd**

ABN 16 001 023 132

**Annual Report - 30 June 2022**

## Club Jervis Bay Ltd

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30 June 2022

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### General information

The financial statements cover Club Jervis Bay Ltd as an individual entity. The financial statements are presented in Australian dollars, which is Club Jervis Bay Ltd's functional and presentation currency.

Club Jervis Bay Ltd is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

#### Registered office

C/- Morton & Cord  
70 North Street  
NOWRA  
NSW 2541

#### Principal place of business

8 Currambene Street  
HUSKISSON  
NSW 2540

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 September 2022. The directors have the power to amend and reissue the financial statements.



## CLUB JERVIS BAY 2022 PRESIDENTS REPORT TO MEMBERS

Dear Members,

I want to start by thanking all our members who have supported us through Covid-19, numerous weather events, shutdowns and changing restrictions. We have all had an unprecedented few years, however I think the worst is behind us and I am truly proud of the resilience our Club has shown to not only weather the storm (pun intended) but to come out yet again posting a profit and having undertaken some really exciting changes to ensure our products are relevant to our current and future members.

After a number of years of careful planning the Club has undergone a re-branding initiative and introduced a new rewards program, Bay Rewards. Our Vision, Mission and Values have been refined to truly represent the Club and our new logo better reflects our connection with the Bay. The Club Bay Rewards was very much influenced by the members survey undertaken to allow the Club to understand the present and future Club members needs, and I believe offers our members valuable reward for their continued support and loyalty.

I am pleased to see continued and expanding engagement with our Sub-Clubs and Community Groups. Club Jervis Bay prides itself in promoting a Community which is diverse, equal, and caring. Our Sub-Clubs and Community Groups include the Sub-Branch, Fisho's, Wobbegongs, Mako's, Women's Auxiliary, Marine Rescue, Shoalhaven Oz Tag, and many more reflecting the Club's commitment in this area. The remodelling of the Community Room has allowed us to continue to support and champion our Community by providing these groups a place to meet and to conduct their very important work within the Community. It is fantastic to see so many groups take up the use of the Community room. It has been a difficult few years for our Sub-Clubs and Community Groups and at Club Jervis Bay we want to continue our philosophy of a Community Club which looks out for each other.

The Club has built on its commitment to become an employer of choice and has implemented the third stage of the Mental Health program which offers staff the opportunity to access Mental Health programs, working to ensure the safety and wellbeing of all our staff. Furthermore, our partnership with the local High Schools continues to expand. This initiative was introduced after the Club identified a need in the local area to support our young community members to gain experience in the workplace, so I am pleased to see a number of those students take up opportunities for apprenticeships, work placements and part time employment within in our Club.

We have long spoken about a future redevelopment of the Club which will see us invest in the future, and ensure we continue to be relevant to our members and the Community. We are currently developing a feasibility study which will be the start of the planning stage for this process. The Club will look to undertake development of our vacant land between the Club and the Huskisson Hotel to provide our members with new facilities.

While this process is being undertaken, the Club will be replacing the roof and I think we can all agree this is well overdue. The Club had struggled with the leaking roof for a number of years, and it is important to resolve this issue to ensure any future works internally are not impacted by leaking water. This will also give



## CLUB JERVIS BAY 2022 PRESIDENTS REPORT TO MEMBERS

the Club the opportunity to “clean up” the exterior of the roof and provide a better vantage for the small businesses across the road who are currently looking at old plant equipment on the roof.

Internal works will also be undertaken to update the indoor and outdoor gaming areas, and to finish off the terrace area, which was impacted by the storm in October last year.

I want to take the opportunity to thank our CEO, Mr John West, and his team for their work over the past year. It has been a difficult time to navigate through and they have done a fantastic job in not only keeping the Club running but continuing to improve our products and services.

I want to thank the Board, who have provided support and guidance to myself, Mr West and his team and ensured Club Jervis Bay continues to show commitment to its Vision and Mission.

I have very much enjoyed being part of Club’s Jervis Bay’s journey over the past years and I look forward to continuing to be a part of the future of the best little Club on the South Coast.



Gary Elliott

President

Club Jervis Bay



CLUB JERVIS BAY 2022 TREASURERS REPORT TO MEMBERS

Total Assets	16,881,986.02	Income	20,614,670.46
Total Liabilities	(3,519,489.49)	Expenses	(20,514,547.33)
<b>Total Equity</b>	<b>13,362,496.53</b>	<b>Net Profit</b>	<b>100,123.13</b>

Department Snapshot	EOY Income	EOY Expenditure	Total EOY 2022
Bar	1,381,407.66	(848,229.35)	533,178.31
Gaming	15,138,936.13	(13,261,772.47)	1,877,163.66
Catering Bayview	2,230,473.38	(2,024,575.92)	205,897.46
Catering Café	134,061.33	(93,972.97)	40,088.36
Catering Pizza	489,887.09	(374,020.56)	115,866.53
Functions	21,877.43	(123.57)	21,753.86
Keno & Tab Commission	69,231.57	(84,548.06)	(15,316.49)
Social Activities	245,665.42	(338,915.01)	(93,249.59)
Reception	127,566.58	(170,514.99)	(42,948.41)
Bottle Shop	37,206.48	(20,990.99)	16,215.49
General Expenses	-	(3,267,757.80)	(3,267,757.80)
Other Income	738,357.39	-	738,357.39
Other Expenses- Suspense Acc	-	(29,125.64)	(29,125.64)
<b>Total Profit/(Loss)</b>	<b>20,614,670.46</b>	<b>(20,514,547.33)</b>	<b>100,123.13</b>

2021-2022 was certainly a challenging year, with the COVID-19 pandemic and the severe weather patterns that inundated the region in the peak holiday seasons.

Cost effective measures were put in place for all departments and I am pleased to report an end of year profit of \$100,123.13. \$100,124.00 as per the Statement of Profit or Loss and other comprehensive income which incorporates rounding.

Thank you to our members and guests for your friendship and continued support.



Elizabeth Abood.  
Treasurer.



## CLUB JERVIS BAY 2022 CHIEF EXECUTIVE OFFICER REPORT TO MEMBERS

Dear Members,

Welcome to the annual report for 2022. I am pleased to announce a profit of \$100,124.00 with an EBITDA of \$720,193.85 = 9.72%, with all drivers within the Club performing reasonably well against set budget estimates. This is a great result considering a good portion of the financial year saw the Club still operating under restrictions to trade, not to mention several weather events which resulted in damage to Club property.

Re-opening the Club in October 2021 under Public Health Orders wasn't without its challenges, but once again our staff rose to the challenge and showed amazing resilience. I want to thank all the staff at Club Jervis Bay. This is a fantastic group of people, and I am very proud to lead the team.

Our Sub-Clubs and Community groups also took a big hit during the year with restricted fund-raising opportunities. The Club is pleased to say we were there to support these fantastic groups of people and moving forward we will look to increase that support and help to grow and nurture these relationships. The Fisho's are back to having fish-outs, the Wobbegongs are off to the Australian Championships, The Euchre Club have resumed their competition, the Mako's have a new dragon boat on order and Oz Tag Shoalhaven have had a big uptake in players joining the new Shoalhaven Oz Tag competition based in Huskisson. We would like to welcome back the RSL Sub-Branch after a brief hiatus while the Club completed upgrades to the Community Room. Many of our Sub-Clubs and Community groups, including Marine Rescue and the Women's Auxiliary and Laurel Club, have now returned to having regular meetings in our newly renovated Community room.

During the year the Board and Management have continued to work on the 5-year strategic plan and the current cash-flow modelling shows the Club is still enjoying growth and stability. The Club has also been through a re-branding exercise, and I am very proud of the result. It has been a number of years and a lot of hard work which has resulted in a Vision, Mission and Values that represents the Club's strategic positioning. The new logo and uniforms look great, and the new Bay Rewards Loyalty program offers members some real value.

The Board and Management have also continued to move forward with planning the re-development of the Club. The feasibility study is now in a final draft and over the next 12 months this will be one of the major focus points for the Board and Management team.

Our management team will look a little different moving forward as a number of longer-term employees move into retirement. Gordon Allen left the team after 10 years of service as one of the Club's Duty Managers and I want to take this opportunity to wish Gordon all the best and a happy retirement. Rita Muscat, the Club's Operation/HR Manager, has also decided to call it a day after 18 years of service. Rita has been a dedicated and professional employee who always had the best interests of the Club at heart and will be sorely missed by staff and members alike. I would like to wish Rita all happiness and enjoyment in her upcoming retirement.



## CLUB JERVIS BAY 2022 CHIEF EXECUTIVE OFFICER REPORT TO MEMBERS

I would like to thank to the Board of Directors for their ongoing support over not just this year but throughout the last few years. Similarly, I would also like to extend that thanks to my management team and all the Club Jervis Bay staff for their hard work and assistance. I am sure all CEOs/Business owners have been in the same boat as we all navigated through an ever-changing environment, one which had no handbook available to refer to, and I can say without reservation that I would have found it very difficult had I not had the support and input from the Board and the team at Club Jervis Bay.

To all our members thank you for your continued support once again and I look forward to seeing your smiling faces in the Club.

I am very hopeful that we will return to normal trading patterns this year, and we can all look forward to once again continuing to make Club Jervis Bay the best little Club on the South Coast.



John West

Chief Executive Officer

**Club Jervis Bay Ltd**  
**Directors' report**  
**30 June 2022**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2022.

### **Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Gary Elliott  
Robert Roach  
Elizabeth Abood  
John Mendola  
Kevin Nimmo  
Dennis Rutherford (resigned May 2022)  
Marilyn Fetch

### **Objectives**

The Club's short term objectives are:

- On an ongoing basis, to develop the Clubs strategic direction and governance
- Brand implementation
- Robust financial management
- Strong marketing and communication
- Develop and maintain the Club's workforce

Long term objectives

- To complete strategic capital works programs as defined in the Club's strategic plan
- To constantly monitor financial performance in a proactive manner
- To develop and enrich the wider community

### **Strategy for achieving the objectives**

Through the Strategic Planning process the Board and Senior Management identified and determined the 6 KPIs to be the strategic focus for Club Jervis Bay for the next 5 years and beyond. The KPIs are supported by action plans targeting the Clubs Financial Management, CAPEX Planning and Asset Management, Brand and Marketing, and Human Resource Management.

Comprehensive financial modelling and analysis software is employed to ensure robust feasibility studies are undertaken in the analysis phase of the Club's strategically identified projects.

### **Principal activities**

The principal activities of the Club during the course of the financial year consisted of the conduct and promotion of licensed RSL Club, and the provision of recreation facilities to members of the Club.

### **Operating Result**

The table below shows a reconciliation of Club Jervis Bay Ltd earnings before interest, income tax, depreciation, amortisation, gains and impairment losses. This is referred to as EBITDA.



**Club Jervis Bay Ltd**  
**Directors' report**  
**30 June 2022**

	2022 \$	2021 \$	Change \$	Change %
Net profit attributable to members	<u>100,124</u>	<u>1,255,532</u>	<u>(1,155,408)</u>	(92%)
Add back:				
Depreciation expense	566,030	523,727	42,303	8%
Net (gains)/losses on disposal of property, plant and equipment	27,170	(30,343)	57,513	(190%)
Interest expenses	<u>56,066</u>	<u>82,581</u>	<u>(26,515)</u>	(32%)
EBITDA	<u>749,390</u>	<u>1,831,497</u>	<u>(1,082,107)</u>	

### State of affairs

Due to the impact of Covid-19, NSW Health and ClubsNSW mandated the following restrictions.

- Forced shutdown of the Club premises between 14 August to 11 October 2021
- Patron capacity limits to ensure social distancing compliance
- LGA lockdowns (Sydney & ACT)
- Poker machine 'Isolate' function to ensure social distancing compliance which disabled every second machine
- ClubsNSW & NSW Health directive for all patrons and staff to be fully vaccinated

This has had a significant impact on the Club's results.

In addition to the effects of the Covid-19 pandemic, the Club also experienced the following:

- Waterspout (wind event) that blew in the Club's main veranda windows to Jervis Bay (October 2021)
- Rain events (January to April 2022)
- Sub-station fire (October 2021)

Despite these adverse events, the Club was able to maintain profitability during the year. Notwithstanding any future adverse events, the Club expects to return to normal trading levels.

### Information on directors

Name: Gary Elliott  
 Title: Director  
 Experience and expertise: Board member since 2014  
 Special responsibilities: President

Name: Robert Roach  
 Title: Director  
 Experience and expertise: Board member since 1990  
 Special responsibilities: Vice President

Name: Elizabeth Abood  
 Title: Director  
 Experience and expertise: Board member since 2017  
 Special responsibilities: Treasurer

**Club Jervis Bay Ltd**  
**Directors' report**  
**30 June 2022**

Name: John Mendola  
Title: Director  
Experience and expertise: Board member since 2014

Name: Kevin Nimmo  
Title: Director  
Experience and expertise: Board member since 2015

Name: Marilyn Fetch  
Title: Director  
Experience and expertise: Board member since 2019

### Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

	Full Board		Special Board Meeting		Board Executive Committee	
	Attended	Held	Attended	Held	Attended	Held
Gary Elliott	12	12	6	6	4	4
Robert Roach	11	12	5	6	4	4
Elizabeth Abood	12	12	6	6	4	4
John Mendola	12	12	6	6	1	1
Kevin Nimmo	10	12	6	6	1	1
Dennis Rutherford (resigned May 2022)	9	11	6	6	1	1
Marilyn Fetch	11	12	6	6	1	1

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

### Contributions on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$2 each. Honorary members are not required to contribute.

The total amount that members of the company are liable to contribute if the company is wound up is \$26,402, based on 13,201 current ordinary members.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

**Club Jervis Bay Ltd**  
**Directors' report**  
**30 June 2022**

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



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Gary Elliott  
President



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Elizabeth Abood  
Treasurer

15 September 2022

**DECLARATION OF INDEPENDENCE BY MICHAEL LEES TO THE DIRECTORS OF  
CLUB JERVIS BAY LTD**

As lead auditor for the audit of Club Jervis Bay Ltd for the financial year ended 30 June 2022, I declare to the best of my knowledge and belief, there have been:

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

Morton & Cord

**Morton & Cord**



**Michael Lees**  
Partner

Nowra  
15 September 2022

**Club Jervis Bay Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Revenue</b>	3	7,282,122	9,533,003
Other income	4	672,537	547,467
Interest revenue		69	277
<b>Expenses</b>			
Cost of sales		(1,656,446)	(2,012,421)
Employee benefits expense		(3,679,897)	(3,995,584)
Depreciation and amortisation expense		(566,030)	(523,727)
Loss on disposal of assets		(27,170)	(29,434)
Marketing and administration		(380,549)	(369,536)
Poker machine expenses		(531,993)	(858,110)
Light and power		(152,147)	(156,225)
Occupancy		(494,092)	(438,127)
Other expenses		(310,214)	(359,470)
Finance costs		(56,066)	(82,581)
<b>Surplus before income tax expense</b>		100,124	1,255,532
Income tax expense	5	-	-
<b>Surplus after income tax expense for the year attributable to the members of Club Jervis Bay Ltd</b>	19	100,124	1,255,532
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the members of Club Jervis Bay Ltd</b>		100,124	1,255,532

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Club Jervis Bay Ltd**  
**Statement of financial position**  
**As at 30 June 2022**

	Note	2022 \$	2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	936,414	1,083,068
Trade and other receivables	7	91,691	7,380
Inventories	8	96,610	113,095
Other	10	190,578	156,296
Total current assets		<u>1,315,293</u>	<u>1,359,839</u>
<b>Non-current assets</b>			
Financial assets at fair value through other comprehensive income	9	-	5,351
Property, plant and equipment	11	15,472,887	15,391,253
Intangibles	12	74,342	74,342
Other	10	20,022	-
Total non-current assets		<u>15,567,251</u>	<u>15,470,946</u>
<b>Total assets</b>		<u>16,882,544</u>	<u>16,830,785</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	509,161	777,429
Borrowings	14	151,229	-
Lease liabilities	15	118,125	160,956
Provisions	16	307,044	291,387
Other	17	-	25,835
Total current liabilities		<u>1,085,559</u>	<u>1,255,607</u>
<b>Non-current liabilities</b>			
Borrowings	14	2,200,000	2,097,819
Lease liabilities	15	182,564	109,080
Provisions	16	51,926	51,813
Other	17	-	50,105
Total non-current liabilities		<u>2,434,490</u>	<u>2,308,817</u>
<b>Total liabilities</b>		<u>3,520,049</u>	<u>3,564,424</u>
<b>Net assets</b>		<u>13,362,495</u>	<u>13,266,361</u>
<b>Equity</b>			
Reserves	18	4,275,026	4,279,016
Retained surpluses	19	9,087,469	8,987,345
<b>Total equity</b>		<u>13,362,495</u>	<u>13,266,361</u>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Club Jervis Bay Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

	<b>Reserves</b> \$	<b>Retained profits</b> \$	<b>Total equity</b> \$
Balance at 1 July 2020	1,854,177	7,731,813	9,585,990
Surplus after income tax expense for the year	-	1,255,532	1,255,532
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	1,255,532	1,255,532
Revaluations	2,424,839	-	2,424,839
Balance at 30 June 2021	4,279,016	8,987,345	13,266,361
	<b>Reserves</b> \$	<b>Retained profits</b> \$	<b>Total equity</b> \$
Balance at 1 July 2021	4,279,016	8,987,345	13,266,361
Surplus after income tax expense for the year	-	100,124	100,124
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	100,124	100,124
Reversal of financial assets in reserves	(3,990)	-	(3,990)
Balance at 30 June 2022	4,275,026	9,087,469	13,362,495

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Club Jervis Bay Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2022**

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		6,800,858	9,409,627
Payments to suppliers and employees (inclusive of GST)		<u>(7,463,579)</u>	<u>(8,339,190)</u>
		(662,721)	1,070,437
Interest received		69	277
Other revenue		993,550	892,453
Interest and other finance costs paid		<u>(56,066)</u>	<u>(82,581)</u>
Net cash from operating activities		<u>274,832</u>	<u>1,880,586</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	11	(684,607)	(723,073)
Payments for intangibles	12	(15,022)	-
Payments for security deposits		(5,920)	-
Proceeds from disposal of property, plant and equipment		<u>-</u>	<u>74,910</u>
Net cash used in investing activities		<u>(705,549)</u>	<u>(648,163)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		670,784	-
Proceeds from leases		213,480	-
Repayment of leases		(182,827)	-
Repayment of borrowings		<u>(417,374)</u>	<u>(892,248)</u>
Net cash from/(used in) financing activities		<u>284,063</u>	<u>(892,248)</u>
Net increase/(decrease) in cash and cash equivalents		(146,654)	340,175
Cash and cash equivalents at the beginning of the financial year		<u>1,083,068</u>	<u>742,893</u>
Cash and cash equivalents at the end of the financial year	6	<u>936,414</u>	<u>1,083,068</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*



## **Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

#### *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for key management personnel, related parties, tax and financial instruments.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB'), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for profit oriented entities.

#### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

### **Revenue recognition**

The company recognises revenue as follows:

#### *Sale of goods*

Revenue from the sale of goods comprises of revenue earned from the provision of food, beverage and other goods and is recognised at a point in time when the performance obligation is satisfied that is on delivery of goods to the customer.

## **Note 1. Significant accounting policies (continued)**

### *Rendering of services*

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

### *Membership*

Income received in advance from membership represents the company's obligation to transfer membership services to members and is recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the services to the member. During the year, the Club abolished membership fees and credited back to members cards any unused fees once the member swipes their membership card at the kiosk.

### *Customer loyalty program*

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

### *Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

### *Government grants*

During the year, the company received \$394,444 from JobSaver support payments from the Australian Government, to support the maintenance of the employee headcount. These have been recognised as government grants in the financial statements and recorded as other income over the periods in which the related employee benefits are recognised as an expense.

## **Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and the adjustment recognised for prior periods, where applicable.

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

### **Note 1. Significant accounting policies (continued)**

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

#### *Mutuality Principle*

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the Club or association, e.g. poker machines, bar and food service in the case of social Clubs. The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised Clubs and associations.

Amendments to the Income Tax Assessment Act 1997 ensure social Clubs continue not to be taxed on receipts from contributions and payments received from members

#### **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

## **Note 1. Significant accounting policies (continued)**

### **Inventories**

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### **Property, plant and equipment**

Land and buildings are shown at fair value, based on periodic, at least every 5 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

### **Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

## **Note 1. Significant accounting policies (continued)**

### **Intangible assets**

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

### *Borrowing costs*

Costs in relation to borrowings are capitalised as an asset and amortised on a straight-line basis over the period of the finance arrangement.

### **Impairment of non-financial assets**

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

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

### **Trade and other payables**

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

### **Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

### **Lease liabilities**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## **Note 1. Significant accounting policies (continued)**

### **Finance costs**

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

### **Employee benefits**

#### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

#### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees 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.

### **Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### **Member's mortality benefits**

Upon the death of an Ordinary Member who was admitted as a Member prior to 1 January 1990 and has held continuous membership, a benefit of up to \$400 is payable. The Club's policy is to recognise the benefits as an expense in the statement of comprehensive income as they are paid out.

### **Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

### **Note 1. Significant accounting policies (continued)**

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

### **Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management 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 (refer to the respective notes) within the next financial year are discussed below.

#### *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 and finite life intangible assets. 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.

#### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

#### *Incremental borrowing rate*

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

#### *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.

## Note 2. Critical accounting judgements, estimates and assumptions (continued)

### *Poker machine licences*

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

## Note 3. Revenue

	2022 \$	2021 \$
<i>Revenue from contracts with customers</i>		
Poker machine net revenue	2,717,327	3,782,462
Bar sales	1,389,360	1,867,334
Catering sales	2,364,535	2,921,902
Cheesy Grin sales	489,887	616,319
	<u>6,961,109</u>	<u>9,188,017</u>
<i>Other revenue</i>		
Commission - TAB, Keno and ATM	112,946	146,485
Volume rebates	29,255	63,834
Members subscriptions	126,039	68,843
Other revenue	52,773	65,824
	<u>321,013</u>	<u>344,986</u>
Revenue	<u>7,282,122</u>	<u>9,533,003</u>

### *Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	2022 \$	2021 \$
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	7,156,083	9,464,160
Services transferred over time	126,039	68,843
	<u>7,282,122</u>	<u>9,533,003</u>



**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 4. Other income**

	<b>2022</b>	<b>2021</b>
	\$	\$
Subsidies - apprentices	41,447	20,381
Insurance recoveries	173,365	53,953
Grants - Jobkeeper/cashflow boost	-	445,500
Grants - Jobsaver	394,444	-
Other revenue	<u>63,281</u>	<u>27,633</u>
Other income	<u>672,537</u>	<u>547,467</u>

**Note 5. Income tax expense**

	<b>2022</b>	<b>2021</b>
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Employee benefits	24,146	13,909
Accrued expenses	1,485	(22,792)
Plant and equipment	(254,056)	34,381
Carried forward tax losses	<u>505,334</u>	<u>405,112</u>
Total deferred tax assets not recognised	<u>276,909</u>	<u>430,610</u>

The above potential tax benefit, which includes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

**Note 6. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	\$	\$
<i>Current assets</i>		
Cash on hand	300,000	300,000
Cash at bank	<u>636,414</u>	<u>783,068</u>
	<u>936,414</u>	<u>1,083,068</u>

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 7. Trade and other receivables**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	15,713	7,380
Other receivables	75,978	-
	<u>91,691</u>	<u>7,380</u>

**Note 8. Inventories**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Stock on hand - at cost	96,610	113,095
	<u>96,610</u>	<u>113,095</u>

**Note 9. Financial assets at fair value through other comprehensive income**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Non-current assets</i>		
IAG shares	-	5,351
	<u>-</u>	<u>5,351</u>

**Note 10. Other**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepayments	189,658	156,296
Security deposits	920	-
	<u>190,578</u>	<u>156,296</u>
<i>Non-current assets</i>		
Security deposits	5,000	-
Other non-current assets	15,022	-
	<u>20,022</u>	<u>-</u>
	<u>210,600</u>	<u>156,296</u>

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 11. Property, plant and equipment**

	2022 \$	2021 \$
<i>Non-current assets</i>		
Land and buildings - at cost	12,992,704	13,000,000
Freehold improvements - at cost	-	43,980
Plant and equipment - at cost	1,124,438	986,327
Less: Accumulated depreciation	(573,114)	(485,583)
	<u>551,324</u>	<u>500,744</u>
Motor vehicles - at cost	256,182	256,182
Less: Accumulated depreciation	(204,596)	(192,519)
	<u>51,586</u>	<u>63,663</u>
Poker machines	2,607,812	2,519,953
Less: Accumulated depreciation	(1,027,812)	(737,087)
	<u>1,580,000</u>	<u>1,782,866</u>
Rights of use assets	200,855	-
Less: Accumulated depreciation	(8,530)	-
	<u>192,325</u>	<u>-</u>
Capital work in progress	104,948	-
	<u>15,472,887</u>	<u>15,391,253</u>

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land & buildings \$	Plant & equipment \$	Motor vehicles \$	Poker machines \$	Rights of use assets \$	Capital works In progress \$	Total \$
Balance at 1 July 2021	13,043,980	500,744	63,663	1,782,866	-	-	15,391,253
Additions	126,002	138,111	-	158,671	200,855	60,968	684,607
Disposals	-	-	-	(36,943)	-	-	(36,943)
Transfers in/(out)	(43,980)	-	-	-	-	43,980	-
Depreciation expense	(133,298)	(87,531)	(12,077)	(324,594)	(8,530)	-	(566,030)
Balance at 30 June 2022	<u>12,992,704</u>	<u>551,324</u>	<u>51,586</u>	<u>1,580,000</u>	<u>192,325</u>	<u>104,948</u>	<u>15,472,887</u>

**Core Properties**

- Club Jervis Bay premises, 8 Currambene St, Huskisson

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 12. Intangibles**

	<b>2022</b>	<b>2021</b>
	\$	\$
<i>Non-current assets</i>		
Other intangible assets - at cost	74,342	74,342

**Note 13. Trade and other payables**

	<b>2022</b>	<b>2021</b>
	\$	\$
<i>Current liabilities</i>		
Trade payables	508,601	777,429
Other payables	560	-
	<u>509,161</u>	<u>777,429</u>

**Note 14. Borrowings**

	<b>2022</b>	<b>2021</b>
	\$	\$
<i>Current liabilities</i>		
Bank loans	53,909	-
Insurance funding	97,320	-
	<u>151,229</u>	<u>-</u>
<i>Non-current liabilities</i>		
Bank loans	2,200,000	2,097,819
	<u>2,351,229</u>	<u>2,097,819</u>

*Total secured liabilities*

The total secured liabilities are as follows:

	<b>2022</b>	<b>2021</b>
	\$	\$
CBA BetterBusiness loan	2,253,909	2,097,819
CBA corporate charge card	30,000	30,000
	<u>2,283,909</u>	<u>2,127,819</u>

*Assets pledged as security*

First Registered Mortgage by Club Jervis Bay Ltd over Non Residential Real Property located at 8 Currumbene Street Huskisson NSW 2540

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 14. Borrowings (continued)**

General Security Interest by Club Jervis Bay Ltd comprising: First ranking charge over ALL Present & After Acquired Property.

*Financing arrangements*

Unrestricted access was available at the reporting date to the following lines of credit:

	2022 \$	2021 \$
Total facilities		
CBA BetterBusiness Loan	2,200,000	2,097,819
CBA BetterBusiness Loan	53,909	-
CBA Corporate Charge Card	30,000	30,000
	<u>2,283,909</u>	<u>2,127,819</u>
Used at the reporting date		
CBA BetterBusiness Loan	2,200,000	2,097,819
CBA BetterBusiness Loan	53,909	-
CBA Corporate Charge Card	-	-
	<u>2,253,909</u>	<u>2,097,819</u>
Unused at the reporting date		
CBA BetterBusiness Loan	-	-
CBA BetterBusiness Loan	-	-
CBA Corporate Charge Card	30,000	30,000
	<u>30,000</u>	<u>30,000</u>

The CBA BetterBusiness Loans are principal and interest payment loans, repayable in monthly instalments and due to mature in 2024. The variable interest rate is 4.24% (2021: 1.99%).

At 30 August 2024 the CBA BetterBusiness loan will mature with a remaining balance of \$1,500,000 at which time the Club will renegotiate the facility.

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 15. Lease liabilities**

	2022 \$	2021 \$
<i>Current liabilities</i>		
Lease liability	<u>118,125</u>	<u>160,956</u>
<i>Non-current liabilities</i>		
Lease liability	<u>182,564</u>	<u>109,080</u>
	<u>300,689</u>	<u>270,036</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Within one year	<u>118,125</u>	<u>191,760</u>
One to five years	<u>182,564</u>	<u>78,276</u>
	<u>300,689</u>	<u>270,036</u>

The Club has lease contracts for poker machines used in its operations. These leases generally have lease terms between 2 and 3 years. The Club's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Club is restricted from assigning and subleasing the leased asset. The poker machines are depreciated over their useful lives.

**Note 16. Provisions**

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	293,619	280,033
Long service leave	<u>13,425</u>	<u>11,354</u>
	<u>307,044</u>	<u>291,387</u>
<i>Non-current liabilities</i>		
Long service leave	<u>51,926</u>	<u>51,813</u>
	<u>358,970</u>	<u>343,200</u>

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 17. Other**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Membership revenue received in advance	-	25,835
<i>Non-current liabilities</i>		
Membership revenue received in advance	-	50,105
	-	75,940

**Note 18. Reserves**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Revaluation surplus reserve	4,275,026	4,279,016

**Note 19. Retained surpluses**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Retained surpluses at the beginning of the financial year	8,987,345	7,731,813
Surplus after income tax expense for the year	100,124	1,255,532
Retained surpluses at the end of the financial year	9,087,469	8,987,345

**Note 20. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to directors and other members of key management personnel of the company is set out below:

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	412,111	387,841

**Club Jervis Bay Ltd**  
**Notes to the financial statements**  
**30 June 2022**

**Note 21. Remuneration of auditors**

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

	2022 \$	2021 \$
<i>Audit services -</i>		
Audit of the financial statements	<u>20,436</u>	<u>19,650</u>
<i>Other services -</i>		
Preparation of the tax return	2,000	2,000
Business advisory services	<u>7,270</u>	<u>59,377</u>
	<u>9,270</u>	<u>61,377</u>
	<u>29,706</u>	<u>81,027</u>

**Note 22. Related party transactions**

*Parent entity*

Club Jervis Bay Ltd is the parent entity.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 20.

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

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

*Loans to/from related parties*

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



**Note 23. Events after the reporting period**

On 31 January 2020, the World Health Organisation (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

At the time of this report, the Coronavirus Omicron variant is disrupting supply lines, employee availability and patronage. At the time of this report, there is no planned government imposed restrictions on venues. Despite the best estimates and forecasts of the Club, any future restrictions would significantly impact results.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

**Club Jervis Bay Ltd**  
**Directors' declaration**  
**30 June 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



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Gary Elliott  
President



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Elizabeth Abood  
Treasurer

15 September 2022

## INDEPENDENT AUDITOR'S REPORT

To the members of Club Jervis Bay Ltd

### Opinion

We have audited the financial report of Club Jervis Bay Ltd (the company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Club Jervis Bay Ltd is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Club Jervis Bay Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Financial Report and Auditor's Report Thereon

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 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. 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 regard.

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

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or 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.

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

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

This description forms part of our auditor's report.

*Morton & Cord*

**Morton & Cord**



**Michael Lees**  
Partner

Nowra  
15 September 2022