

2020/21

Annual Report



Ocean Shores
country club
Est. 1972

www.oceanshorescc.com.au



ABN: 84 000 724 676

Financial Report for the year ended 30 June 2021

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 52nd Annual General Meeting of Members will be held in the Pacific Room at the Clubhouse, Orana Road Ocean Shores NSW 2483 commencing at 9.30am on Sunday 19th December 2021.

Please be aware that due to COVID-19 restrictions, seating will be arranged to conform with NSW Public Health Orders in effect at the time of the meeting. Members attending the Annual General Meeting are required to follow all Staff directions in accordance with the Club's COVID-19 Management Plan.

Agenda

1. Welcome and Opening of the 52nd Annual General Meeting.
2. Apologies.
3. To confirm the Minutes of the 51st Annual General Meeting held on Sunday 15th November 2020.
4. To receive, consider and adopt the Financial Statements of the Company and the directors and auditors reports for the year ended 30 June 2021.
5. To consider and if thought fit, to pass Ordinary Resolution One which appears under the heading 'Notice of Ordinary Resolution One'.
6. To consider and if thought fit, to pass Special Resolution One which appears under the heading 'Notice of Special Resolution One'.
7. To consider and if thought fit, to pass Special Resolution Two which appears under the heading 'Notice of Special Resolution Two'.
8. To declare the result of the Ballot to elect the Board of Directors for 2021-2022 in accordance with the Club's Constitution.
9. To consider and if thought fit, award Life Membership of the Club to Peter Tornaros (Member #587), details of whom appears under the heading 'Nomination for Life Membership'.
10. To deal with any other business for which due notice has been given and may lawfully be brought forward.

Members please note: To enable a considered response, any questions relating to the contents of these reports must be submitted in writing to the General Manager no later than 5pm on Friday 10th December 2021.

By order of the Board of Directors,

Ian Wills

Secretary

18th October 2020

2021 ANNUAL GENERAL MEETING NOTICE OF ORDINARY RESOLUTION ONE

That pursuant to the Registered Clubs Act 1976 the Members approve and agree to the following benefits and reasonable expenditure by the Club until the next Annual General Meeting:

- a. Directors education and training to comply with registered club corporate governance legislation.
- b. Directors attendance at registered club specific trade and industry events.
- c. Directors attendance at industry meetings, seminars, training courses and conferences.
- d. To repay out of pocket expenses reasonably incurred by any member of the Board in the course of carrying out duties for the Club on production of a valid receipt and provided such expenses are approved by the Board.
- e. The reasonable cost of a meal and beverage for each Director immediately before or after a Board or Committee meeting.
- f. The reasonable cost of entertaining special guests of the Club.
- g. Provision of an electronic device for the use of each Director to access Board meeting and Club documents, seminar presentations and other Club-related communications.
- h. Provision of a Director's uniform.
- i. Provision of a limited number of reserved car spaces in the Club's car park for the use of the Chairperson, Deputy Chairperson and General Manager.
- j. Benefits received by Members who are accepted into the membership Category of 'Special Veterans' for the membership year 2021-2022.

The Members acknowledge that the above benefits are not available to Members generally but only for those who are Directors of the Club and those Members specified in the above activities.

Explanatory Message to Members Regarding Ordinary Resolution One:

Section 10 (1) (i) and (j) of the Registered Clubs Act 1976 prohibits the Club from offering a benefit or advantage to any Member (including a Director) unless it is offered equally to all Members of the Club.

Section 10 (6A)(b) of the Registered Clubs Act 1976 allows a Member to receive a benefit if the benefit conferred is not in the form of money and those benefits are approved by an ordinary resolution of the Members of the Club in general meeting prior to the benefit being provided.

NOTICE OF SPECIAL RESOLUTION ONE

[The First Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (a) **deleting** Rules 29.2, 29.3, 29.4 and 29.5.
- (b) **renumbering** Rule 29.6 as 29.2.
- (c) **renumbering** Rule 29.7 as 29.3 and the reference in that Rule to Rule 29.6 to Rule 29.2.
- (d) **deleting** Rules 30 and 31 and in their place **inserting** the following heading and new Rules 30 and 31:

REGISTERED CLUBS ACCOUNTABILITY CODE

30. The Club, the directors of the Club and the Secretary must comply with the requirements of the Registered Clubs Accountability Code as provided in Schedule 2 of the Registered Clubs Regulation 2015 (as amended from time to time).
- 31 A copy of the Registered Clubs Accountability Code (as amended from time to time) will be appended to a copy of this Constitution supplied to any member pursuant to Rule 2.4 or otherwise made available to members.”
- (e) **deleting** from Rule 27.3(i) the words *“subject to the requirements of Section 41J of the Registered Clubs Act and Regulations and the Liquor Act”* and in their place inserting the words *“subject to the requirements of section 41E of the Registered Clubs Act and the Regulations made under that Act and subject to the Liquor Act”*.

Notes to Members on Special Resolution One

1. If passed, the First Special Resolution deletes Rules that are based on provisions in the Registered Clubs Act which no longer exist and to replace them with new Rules and in particular, makes reference to the Registered Clubs Accountability Code.
2. The Accountability Code is to be attached to all copies of the Club's Constitution which are given to members.

NOTICE OF SPECIAL RESOLUTION TWO

[The Second Special Resolution is to be read in conjunction with the notes to members set out below.]

That the Constitution of Ocean Shores Country Club Limited be amended by:

- (f) inserting at the end of Rule 26.1(s) the following words:
"or by returning them electronically to the Returning Officer if so directed by the Club."
- (g) inserting the following new paragraph after Rule 26(cc):
"(dd) the Board may determine that voting for the election of directors is conducted electronically."

Notes to Members on Special Resolution Two

1. If passed, the Second Special Resolution will give the Board the option of introducing voting for the Board using approved modern technology.
2. The Board has no immediate plans to do this but it is prudent to at least have it as an option for the future.

PROCEDURAL MATTERS RELATING TO SPECIAL RESOLUTIONS

1. To be passed, each Special Resolution requires votes in its favour from not less than a seventy-five percent (75%) majority of those members who being eligible to do so vote on the Special Resolution at the meeting.
2. Each Special Resolution should be read in conjunction with the notes to members which follows that Special Resolution.
3. **Only financial Ordinary Voting members and Life members are eligible to vote on the Special Resolutions.**
4. Amendments to the Special Resolutions (other than minor typographical corrections which do not change the substance or effect of the Special Resolutions) will not be permitted from the floor of the meeting.
5. Under the Registered Clubs Act:
 - (a) members who are employees of the Club are not entitled to vote; and
 - (b) proxy voting is prohibited.
6. The Board of the Club recommends each of the Special Resolutions to members.

NOMINATION FOR LIFE MEMBERSHIP

1. That Member **Peter Tornaros** (#587) be elected to Life Membership of the Club in recognition of Peter's outstanding contribution to the Club over an extended period of time.

The nomination was Moved by William Priest (#492) and Seconded by Austin (Stuart) Pratt (#006) and endorsed by a resolution of the Board of Directors to be submitted to the Annual General Meeting to be considered by Members.

PROCEDURAL MATTERS RELATING TO LIFE MEMBER RESOLUTIONS

For Life Membership to be approved this resolution must be passed by a two thirds majority of the Members present and voting at the Annual General Meeting.

Only financial Ordinary Voting Members and Life Members are eligible to vote on Life Membership Resolutions.

THE MEMBERSHIP AS AT 30 JUNE	2020	2021
Life Member	4	5
Male Golf	200	184
Female Golf	43	44
Male Bowler	49	48
Female Bowler	12	11
Social Bowler (M/F)	20	20
Male Golfer/Bowler	35	32
Female Golfer/Bowler	4	1
Special Veteran Golfer (M/F)	8	9
Special Veteran Golfer/Bowler (M/F)	5	5
Ordinary (M/F)	9	4
Male Country Golfer	27	
Female Country Golfer	7	
Social (M/F)	2852	2201
Country Golfer/Bowler (M/F)	1	
Leave of Absence	0	2
Colt Golfer	3	3
Colt Golfer/Bowler	2	0
Midweek Golf (M/F)	100	114
Midweek Golfer/Bowler (M/F)	15	14
Remote Golfer (M/F)	10	20
Remote Golfer/Bowler (M/F)	0	1
Life Style Golf (M/F)	41	32
Life Style Golfer/Bowler (M/F)	2	1
Multi/Mixed Bowler	10	13
6 Day Golf (M/F)	19	
6 Day Golfer/Bowler (M/F)	0	
5 Year Golfer		1
80+ Golf	14	13
80+ Golfer/Bowler	2	2
85+ Golf	0	
85+ Golfer/Bowler	2	
Intermediate Golfer (M/F)	29	17
Intermediate Golfer Bowler (M/F)	3	2
Weekend Golf (M/F)	3	
Weekend Golfer/Bowler (M/F)	1	
Junior Bowler	0	
Junior Golfer	8	4
Junior Golfer/Bowler	0	0
Cadet Golf	6	7
Cadet Bowls	0	0
Cadet Golfer/Bowler	0	0
TOTAL MEMBERS	3546	2810
Golf Related Membership*	594	509
Bowls Related Membership*	167	155
Ordinary and Social	2861	2207

* Note Golfer/Bowler Members are included as both golf and bowls related membership

* A blank space indicates category not available for that particular year

CHAIRMAN'S REPORT

"A year of the trials and tribulations" in attempting to manage during unprecedented times.

An old cliché that captures the turbulent year endured by our Club as a direct result of the COVID-19 restrictions. Of equal significance were the extreme weather conditions that impacted the course during this period. Thankfully there have been no cases of COVID-19 reported amongst our membership or staff. This validates the arrangements instituted by our management team and the strict compliance rules monitored by our staff as part of the Covid Plans.

Despite our ongoing Covid compliance obligations and disruption to our business, we were still able to operate with relatively strong cash reserves compared to the previous year. It is pleasing to report to Members that the Club has posted a net surplus of \$184,531 for the year ending 30 June 2021. The financial statements will reveal several key areas which contributed to this result. In particular, a decline in bar sales was offset by improved gaming revenue and golf-related activities. Similar to the previous year, the Club benefited from government support such as JobKeeper.

Members should be aware that while sponsorship income was significantly down compared to previous years, in the past, much of this income related to 'complimentary' Club membership offered as part of sponsor packages. Changes to the way sponsorship and sponsorship-related memberships are reported has contributed to the large variance shown in the report.

The Board is also conscious of the changing circumstances of several of our valued sponsors during the pandemic and we remain very grateful of the support the Club has received in the past. During the year, the Board reviewed our sponsorship offers and we are working towards rebuilding our sponsorship base in the coming year.

Under these trying circumstances, our Superintendent and Golf Manger ensured our course and supporting facilities were presented in the best available condition. The same can be attributed to our Bowling Greens. While Golf was played with restrictions during periods of lockdowns, our Bowling fraternity suffered as no play was allowed. Both activities saw events either postponed or cancelled. This, however, did not detract from the high participation rates in the general play of Golf or Bowls when available.

Under the stewardship of our General Manger Ian Wills, his actions in providing the Board with clear management reports, assisted the Board in making many difficult decisions. I should also note the actions taken to automate our internal accounts management systems and appointing an external Accounts Manager to oversee our financial practices has reduced our operating costs. The important point members should be aware of is our overdraft facility is still intact.

These unprecedented times did not stop the Board and Management in pursuing key objectives set out in our Strategic Plan namely:

- Preparing Clubhouse refurbishment plans
- Developing a Golf Master Plan
- Identifying Development Opportunities
- Growing our Golf and Bowls memberships

I am happy to report all Directors have contributed with their time and energy with this process. I am confident this work will continue into the future.

The Board extends its sincere appreciation to all volunteer office bearers serving on a myriad of committees. These include our Special Interest Groups, Heritage Group, Foundation, 50th Anniversary Organising Committee, your time and efforts are greatly appreciated. On a similar vein our

appreciation is also extended to our band of dedicated volunteers known as the Goonies. They work hard performing various tasks in presenting our course in optimum condition.

On a positive note, our Club will be celebrating its 50th Anniversary next year. We turn 50 in May 2022. Our Organising Committee has been hard at work planning for this event which will include a variety of family and sporting activities, a major raffle, logo apparel, a publication of the Club's history and memorabilia, culminating in a dinner in May 2022.

The Club's Foundation received a significant donation from our Golf Patron Peter Thorley. Thank you, Peter, your donation will certainly be utilised to create new revenue streams.

This is my third year as Chairman of the Board, and I am grateful for all the support provided by our Directors in fulfilling this role. Their counsel and guidance were greatly appreciated. In addition, I must acknowledge our General Manager Ian for his support and sound advice dealing with the complexities of club management. This can be seen by his inclusive way of leading his staff through challenging times.

Finally, thank you and recognition to all our membership for your unwavering support of our great Club during these difficult times. The Club plays an important role as the social hub in the lives of our members, guests and our community. Thank you and recognition to all our members for your unwavering support of our great Club especially during these difficult times.

James Cotta

Chairperson

TREASURER'S REPORT

Despite significant Covid-19 related disruption to our business and patronage in general from border closures and lockdowns, our key financial indicators and results gained in strength, compared to 30 June 2020.

The profit outcome recorded a large positive turnaround compared to the same time the previous year, and that improvement in turnaround was over \$400,000 which gave us a profit of \$184,531 for the 2020/2021 financial year.

Importantly, our overall liquidity and solvency strengthened as our current assets increased by \$125,000 whilst our current liabilities decreased by nearly \$220,000 during the year.

The Club's cash reserves increased by \$225,000 and we retain a redraw facility of \$600,000 and for the foreseeable future, we remain well positioned to continue trading, remain solvent and pay our debts as and when they fall due.

The greatest increase in our revenues came from golf and gaming patronage whilst our largest cost being employee expenses remained steady at about the same amount as they were in the prior financial year. Government subsidies were very important once again with a \$40,000 increase year on year.

It goes without saying that looking further ahead into the remainder of the 2021/2022 financial year, we will continue to closely monitor our cash position and levels of patronage. Trading conditions remain very challenging with the 'Queensland Border Bubble' still suspended and with the restrictions still in place that continue to adversely impact our cash flows.

Sven Kling

Treasurer

GENERAL MANAGER'S REPORT

Following the impacts of COVID-19 during the previous year, we began the new year full of excitement. Function bookings were returning to the Club and our social events calendar was filling fast based on prospects of a return to normal trading. Unfortunately, 2020/2021 continued to be impacted by COVID-19 and restrictions, coupled with on again off again border closures, which have affected all areas of the Club.

When the Club was allowed to re-open, it very quickly became clear that the environment in which the Club operates had dramatically changed. Reduced venue capacities, social distancing and mask wearing requirements followed more recently by mandated COVID-19 vaccination have all changed how the Club operates and interacts with our members.

I'm sure it's been difficult for all of us to keep up with the constantly changing and often seemingly nonsensical directions and I look forward to the day when the border finally reopens and we can welcome back our Queensland members and golfers.

During the year the Board and Management adopted a regular review process with the key purpose of closely monitoring the Club's ongoing cash position. During the year, the Club benefitted from continued government initiatives such as 'JobKeeper'.

The Club received 'JobKeeper' funding until 30 September 2020 allowing the Club to retain staff who would otherwise have been 'stood-down'. Notwithstanding the external support received by the Club, I am most grateful for the Board's vigilance during the year especially when difficult decisions were required to be made.

Despite difficulties arising from COVID restrictions, it is pleasing to note that trading in certain areas (especially golf-related activities) were well supported during the year. Revenue from Club activities was, however, greatly impacted for most of the year.

Due to COVID restrictions, the Club suffered from a dramatic decline in function bookings resulting in lost venue hire fees and beverage sales. Our sincere thanks go to Bill, Simon and their wonderful team at Horizons Bistro who also felt the brunt of lost trade due to venue restrictions.

While it would be easy to focus on the negatives, there have been many positive outcomes during the 2020/2021 year. Members will be familiar with the Club's Master Plan introduced in early 2020. During the year, work was completed on all our major IT systems that drive the Club. Major course equipment was upgraded and significant work was undertaken to upgrade power to the eastern side of the Clubhouse.

Members can expect to see some great changes to our facilities and services in the coming year as we look to create a dedicated 'coffee shop', improve interior furnishings and décor and upgrade our western 'Koonyum Deck' to be a family-friendly space for all to enjoy.

Work will also continue outdoors as we continue to strive towards providing Members with the best possible facilities.

There can be no denying that the year has been every bit as challenging as the last. I would like to thank Chairman James and the Board of Directors for their commitment to their Club and I am extremely grateful for the support shown by all Staff.

As we look forward to celebrating the Club's 50th Anniversary in May 2022 please be assured there are many exciting activities in store.

Thank you to Members who continue to support our Club and I look forward to seeing you at the Club.

Best wishes,

Ian Wills

General Manager

GOLF DIRECTOR'S REPORT

Despite the 2020/2021 year continuing to be impacted by the COVID-19 pandemic, our golf members were very fortunate as we continued to enjoy the course albeit subject to periodic restrictions.

COVID aside, the course was exposed to extreme weather events as the drought gave way to periods of very wet weather. Course Superintendent Shane and his team continued to work hard and despite COVID-related staffing issues, the course has continued to offer great playing conditions.

2020/2021 was a busy year for our golf course and there were many notable achievements.

The adoption of a GMP was identified as being a priority in the Club's Strategic Master Plan. Following careful consideration of three submissions, the Board engaged Richard Chamberlain (RCGD Golf Design) to prepare a Course Master Plan.

The brief provided to RCGD was to assess the current course and look for ways to improve the layout without altering our unique 6-6-6 format. Another requirement of the GMP is to emphasise sustainability and reducing maintenance costs. Following consultation with golf Special Interest Groups, the GMP was presented to a meeting of Members in October 2021 and by all reports, the course master plan has been well received.

The GMP has been adopted by the Board to be implemented over the years ahead as resources permit. More immediately, changes to the 8th hole identified as being essential several years ago as a priority for legal requirements (safety/insurance) will proceed in line with safety recommendations and the RCGD plan.

Members are assured that any changes identified as being a 'major change' will be put to golf members in accordance with the Constitution.

In addition to regular operational expenses, during the year, the Club committed to updating major course machinery equipment with a combined value of \$279,000. This machinery included industry best broad acre mowers, 'Sand Pro' bunker rakes and blower machine.

The Club has also committed to purchase our next fleet of hire golf carts. The 30 'Ezi-Go' cart fleet will boast the latest lithium technology as well as GPS tracking.

During the year, over 15,000 square metres of sports turf was established as part of the program to transition the 14th Fairway to 'winter green couch'. Other work completed during the year included upgrading bumper rails on bridges and the replacement of safety netting on the 4th Hole. This work was completed 'in-house' with an estimated saving of over \$15,000.

There's no doubt COVID impacted membership retention during the year. While local participation remained relatively strong, closed borders prevented many interstate members from attending.

The Board did not increase membership fees during the year and the 'Six Day' membership category was reintroduced. A 'Family Package' has also been created and several families have already taken up this excellent new member-only offer. During the year reciprocal membership rights were reviewed and links to reciprocal Clubs were re-established.

During the year, GolfNSW conducted a review of the course rating resulting in new ratings for all tee positions. Following the review, OSCC Ladies initiated a 'White Marker Challenge'. Despite persistent wet weather and COVID restrictions intervening, I'm looking forward to this event being a great addition to our program in the future.

It was pleasing to see our Honour Boards make the transition to a digital format and we can expect to see greater use of this format in the coming years. The Golf Management Committee (GMC) has requested the Board to investigate the feasibility of introducing a Driving Range at the Club. Members will be advised as this project develops.

Thank you to our sponsors for your continued support of the Club and best wishes to Members.

Peter Kiernan

Golf Director

BOWLS DIRECTOR'S REPORT

The 2020/2021 year was marred by COVID-19 restrictions periodically being in place for the playing of Bowls. Often, we have had the number of players allowed on the green reduced or not allowed at all. Despite these difficulties, throughout the year the Match Committee was able to arrange and complete most of our Club Championships.

The 2021 State Pennant season was miraculously completed with our Division 2 and Division 7 teams successful in our Zone. While these teams were set to go to Parkes and Warilla for State Finals in September 2020, this event was postponed and is now due to be played in March 2022. Our Zone 1 Open Pairs Champions Neil McLeod and Troy Makin will also see their State event played in 2022.

Thanks to our Bowls Special Interest Group (SIG) Secretary Peter Tornaros, Selectors and Pennant Team managers for assisting in the organisation and success of our teams. I would also like to thank the Umpires for their assistance and support throughout the year.

A highlight of the year was the final agreement of Ladies and Men's bowls to combine under one unified banner. The new entity is to be known as Bowls NSW Inc. Both groups have given themselves two years to sort through the process.

Thanks to Troy Makin for the upkeep and presentation of our two bowling greens. Unfortunately, we haven't been able to secure funding to complete our shades on the top green. Funding is also being sought for the provision of LED lighting for both greens.

Our Breakfast, Twilight and Night Bowls is continuing and gaining in support. Due to COVID, Mufti and Barefoot Bowls have been very restricted. These areas should improve immensely next year.

Special thanks to President Dan Hayer and all bowlers for their support through these difficult times. Thanks also to Ray and Betty Linabury for their combined efforts throughout the year. As I will be resigning from my position at the AGM, I wish the incoming Bowls Director every success in the coming year.

Thanks

Neil McLeod

Bowls Director

Ocean Shores Country Club Ltd

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Financial Report for the year ended 30 June 2021

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OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

DIRECTORS' REPORT

Your directors present this report of the Ocean Shores Country Club Ltd ('the Club') for the financial year ended 30 June 2021.

Directors

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

Name		Position	Years as a Director
James Cotta	Appointed 15 November 2020	Chairperson	5
David Harman	Appointed 15 November 2020	Deputy Chairperson	3
Stuart Brady	Appointed 15 November 2020	Treasurer	<1
	Resigned 29 July 2021		
Peter Kiernan	Appointed 15 November 2020	Golf Director	2
Neil McLeod	Appointed 15 November 2020	Bowls Director	2
Val Marsh	Appointed 15 November 2020	Director	2
Alan Dickens	Appointed 15 November 2020	Director	<1
	Resigned 23 December 2020		
David Small	Appointed 4 March 2021	Director	<1
Sven Kling	Appointed 25 March 2021	Director / Treasurer	<1
Jack Daley	Appointed 26 August 2021	Director	<1
Melissa James	Retired 15 November 2020	Deputy Chairperson	3
Will Jamieson	Retired 15 November 2020	Treasurer	2
Lance Selleck	Retired 15 November 2020	Golf Director	2

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

2020 – 2021 Sub-Committees:

Sub-Committee *	
Finance	S. Brady (Chair to 29Jul21), S. Kling (Chair from 26Aug21), D. Harman, N. McLeod, P. Kiernan
Bowls Management	N. McLeod (Chair)
Golf Management	P. Kiernan (Chair), V. Marsh
House / Asset	N. McLeod (Chair), P. Kiernan, V. Marsh, J. Daley
Marketing & Sponsorship	D. Harman (Chair), P. Kiernan, V. Marsh, N. McLeod, J. Daley
Disciplinary	V. Marsh (Chair), P. Kiernan, D. Harman
Club Development	D. Small (Chair), V. Marsh, J. Daley

* James Cotta is ex-officio on all sub-committees

OCEAN SHORES COUNTRY CLUB LTD**ABN: 84 000 724 676****DIRECTORS' REPORT****(CONTINUED)****Board of Directors Meetings**

During the financial year twelve (12) ordinary meetings and three (3) special meetings of the Board of Directors were held. Meetings were held remotely when required due to public health orders relating to the COVID-19 pandemic. Attendances by each director were as follows:

Name	Ordinary Meetings		Special Meetings	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
James Cotta	12	11	3	3
David Harman	12	9	3	3
Stuart Brady	9	7	1	-
Peter Kiernan	12	12	3	3
Neil McLeod	12	12	3	3
Val Marsh	12	12	3	2
Alan Dickens	2	2	-	-
David Small	5	3	1	1
Sven Kling	4	4	1	-
Jack Daley	-	-	-	-
Melissa James	4	4	2	2
Will Jamieson	4	4	2	2
Lance Selleck	4	4	2	2

Company Secretary

The Company Secretary is Ian Wills.

Principal Activities

The principal activities of the Ocean Shores Country Club Ltd were the provision of social and sporting facilities and to provide members and members' guests with the facilities of a registered sporting club. There were no significant changes in the nature of the entity's principal activities during the financial year.

Core and Non-Core Property as required under Section 41J of The Registered Clubs Act

For the purposes of Section 41J of the Registered Clubs Act, the Board of Directors consider the physical premises of the Club, playing and practice areas of the golf course, two (2) bowling greens, two (2) asphalt car parks and grassed overflow car park to be 'core property' of the Club. Lot 1 DP 859951, Wiree Drive Ocean Shores and non-playing areas of the golf course as per land title deeds are considered to be 'non-core' property.

Short-term and Long-term Objectives

The Club's short-term objectives are to:

- Enhance members and visitors Golf, Bowls and social experiences;
- Continue to implement the Club's Strategic Plans;
- Maintain and update the Club House and sporting facilities including pool;
- Provide the best possible hospitality services to members and to the local community;
- Develop and implement strategies to minimise the impact of the 2020 COVID-19 pandemic;
- Ensure ongoing profitability of the Club; and
- Promote the sporting and social operations of the Club.

OCEAN SHORES COUNTRY CLUB LTD

ABN: 84 000 724 676

**DIRECTORS' REPORT
(CONTINUED)**

The Club's long-term objectives are to:

- Increase membership numbers and participation of Club members by promoting the sporting and social operations of the Club;
- Investigate, develop and complete objectives identified in the Club's Strategic plan;
- Diversify income streams;
- Maintain a financially healthy business;
- Plan for future development and expansion of the Club and facilities; and
- Grow the Club's operations.

Strategies

To achieve its stated objectives, the Club has adopted the following strategies:

- The preparation of an annual budget for financial performance. Management and directors regularly review the Club's performance against the budget;
- Marketing and promoting the Club's facilities, services including sporting and social activities;
- Create and maintain a safe and family friendly club environment, and
- Further develop the Club's financial strategies.

Key Performance Measures

The Club uses the following key performance indicators to measure performance:

- Wages costs;
- Profit margins;
- Operating surplus;
- Golf, bowls and social participation; and
- Comparisons to industry benchmarking and budgeted performances.

The Club is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the Club. At 30 June 2021, the total amount that members of the Club are liable to contribute if the Club is wound up is \$5,620 (2020: \$6,126).

Significant changes in the state of affairs

Members' attention is drawn to the Financial Statements and in particular the Statement of Profit or Loss, Note 12 (Liquidity) and Note 16 (Events occurring after balance date and going concern (including the impact of the COVID-19 Pandemic)).

Other than as outlined in these notes and elsewhere in the financial statements, there have been no significant change in the state of affairs of the Company during the year.

OCEAN SHORES COUNTRY CLUB LTD

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DIRECTORS' REPORT

(CONTINUED)

Directors Benefits

During or since the end of the financial year, no director of the Club has received or become entitled to receive any benefit by reason of contract made by the Club or with a firm of which a director is a member, or with an entity in which a director has a substantial interest.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2021 has been received and can be found on page 21 of the financial report.

This directors' report is signed in accordance with a resolution of the Board of Directors.



James Catta

Director

Dated this 5th day of October 2021



**OCEAN SHORES COUNTRY CLUB LTD
AUDITOR'S INDEPENDENCE DECLARATION
UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF OCEAN SHORES COUNTRY CLUB LTD**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021 there have been:

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

WFD Assurance Services

Lianne Smith

WFD Assurance Services

**LR Smith
Principal**

Santos Place
Level 27, 32 Turbot Street
Brisbane
Dated: 5 October 2021

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
Revenue	2	4,122,114	3,738,901
Interest income		49	51
Other income	2	360,742	392,634
Total revenue and other income		4,482,905	4,131,586
Employee benefits expense	3(a)	(1,632,889)	(1,660,619)
Cost of sales	3(a)	(919,814)	(883,144)
Depreciation and amortisation expense	3(a)	(463,921)	(463,103)
Interest expense	3(a)	(36,887)	(31,536)
Other expenses	3(b)	(1,244,863)	(1,314,580)
Total expenditure		(4,298,374)	(4,352,982)
Profit/(loss) before income tax		184,531	(221,396)
Tax expense	1(j)	-	-
Profit/(loss) for the year		184,531	(221,396)
Other comprehensive for the year, net of income tax		-	-
Total comprehensive income for the year		184,531	(221,396)

The accompanying notes form part of these financial statements

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	2021 \$	2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents	4	764,180	539,348
Trade and other receivables		13,473	159,725
Inventories		180,740	158,894
Prepayments		47,289	21,366
Total current assets		<u>1,005,682</u>	<u>879,333</u>
Non-current asset			
Property, plant and equipment	5, 13	2,567,874	2,647,122
Total non-current asset		<u>2,567,874</u>	<u>2,647,122</u>
TOTAL ASSETS		<u>3,573,556</u>	<u>3,526,455</u>
LIABILITIES			
Current liabilities			
Trade and other payables	6	778,887	826,425
Borrowings	7	156,057	367,576
Provisions	8	145,515	105,609
Total current liabilities		<u>1,080,459</u>	<u>1,299,610</u>
Non-current liabilities			
Trade and other payables	6	53,217	61,401
Borrowings	7	203,380	101,856
Provisions	8	35,656	47,275
Total non-current liabilities		<u>292,253</u>	<u>210,532</u>
TOTAL LIABILITIES		<u>1,372,712</u>	<u>1,510,142</u>
NET ASSETS		<u>2,200,844</u>	<u>2,016,313</u>
EQUITY			
Retained surplus		2,171,792	1,987,261
Reserves		29,052	29,052
TOTAL EQUITY		<u>2,200,844</u>	<u>2,016,313</u>

The accompanying notes form part of these financial statements

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021

	Retained Earnings	Capital Profits Reserve	Total
	\$	\$	\$
Balance - beginning of prior year	2,208,657	29,052	2,237,709
Comprehensive Income			
Loss for the year	(221,396)	-	(221,396)
Total comprehensive income attributable to the entity	(221,396)	-	(221,396)
Balance - end of prior year	1,987,261	29,052	2,016,313
Balance - beginning of current year	1,987,261	29,052	2,016,313
Comprehensive Income			
Profit for the year	184,531	-	184,531
Total comprehensive income attributable to the entity	184,531	-	184,531
Balance - end of current year	2,171,792	29,052	2,200,844

The accompanying notes form part of these financial statements

OCEAN SHORES COUNTRY CLUB LTD
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, tenants and patrons		4,905,425	4,461,819
Payments to suppliers, employees and ATO		(4,157,087)	(4,028,768)
Interest paid		(36,887)	(31,536)
Interest received		49	51
Net cash generated from operating activities		<u>711,500</u>	<u>401,566</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(139,715)	(116,322)
Proceeds from sale of property, plant and equipment		8,000	-
Net cash used in investing activities		<u>(131,715)</u>	<u>(116,322)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		(201,748)	-
· equipment bank loan		(79,096)	(85,280)
· supplier installment arrangements		(33,235)	(28,556)
· right of use lease liabilities		(32,557)	(34,285)
· finance leases		(14,868)	(11,235)
Proceeds from borrowings (business & equipment loans)		6,551	201,748
Net cash from/(used in) financing activities		<u>(354,953)</u>	<u>42,392</u>
Net increase in cash held		224,832	327,636
Cash and cash equivalents at beginning of the financial year		539,348	211,712
Cash and cash equivalents at end of the financial year	4	<u>764,180</u>	<u>539,348</u>

The accompanying notes form part of these financial statements

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity 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 otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accrual 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 5 October 2021 by the directors of the Company.

Note 1.1 Summary of Significant Accounting Policies

(a) Revenue

Government grants used for property plant and equipment purchases. Receiving a grant to purchase property, plant and equipment for internal use is not a contract with the customer and therefore the revenue standard AASB 15 does not apply.

Where the purchase of property, plant and equipment does not in itself, enable the entity to further its objectives, the Board are of the opinion AASB 1058 Income of Not-for-Profit entities does not apply either. Accordingly, the Board then looked at other accounting standards and in their opinion AASB 120 is the best fit. The government grant is recognised in profit or loss on a systematic basis over the useful life of the property plant and equipment acquired in such instances.

Gaming subsidies are recognised in the period received, which aligns with the timeframe the poker machines are patronised.

Revenue from gaming is derived from poker machines and is recognised 'net' of payouts to players.

Revenue from beverage sales is recognised when beverage is acquired by patrons.

Revenue from raffles is derived from ticket sales and is recognised in the period the raffle is drawn.

Sponsorship revenue is recognised upon invoice to the sponsor; this amount is determined in accordance with the amount pledged and the timing with which the agreed pledge will flow to the Company.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 1.1 Summary of Significant Accounting Policies (continued)

(a) Revenue (continued)

Revenue from members subscriptions is aligned with the period the members utilise the facilities provided and paid for. Those received in advance for future years are deferred until those timeframes are reached and are recognised, in the meanwhile, as a liability in the statement of financial position.

Revenue from competition and green fees are recognised when the golf course is used by playing patrons for such purposes. The receipt of fees and playing of golf usually occurs in the same timeframe.

Revenue from mat fees is recognised in the period the bowling green is used by playing patrons for such purposes. The receipt of fees and playing of bowls usually occurs in the same timeframe.

Revenue from promotional rebates is recognised in the period they are earned, per the negotiated contracts.

Commission revenue derived from patronising the ATM, Keno and TAB facilities provided, are recognised in the period it is earned.

Donations and bequests are recognised as revenue when received.

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

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

(b) Inventories

Inventories held for sale are measured at the lower of cost and net realisable value.

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

(c) Property, Plant and Equipment

The entity applies the cost model as its accounting policy to property, plant and equipment.

Freehold Property

Freehold land is shown at cost.

Buildings are shown at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of buildings is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses recognised in profit and loss.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 1.1 Summary of Significant Accounting Policies (continued)

(c) Property, Plant and Equipment (continued)

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. 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 and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1.1(f) for details of impairment).

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

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use.

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

Class of Fixed Asset

	Depreciation Rate
Buildings	2.5 - 5%
Plant and equipment	7.5 - 34%
Leased plant and equipment	10%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(d) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 1.1 Summary of Significant Accounting Policies (continued)

(d) Leases (continued)

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or the remeasurement is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Lessor accounting

When the Company is a lessor, the lease is classified as either an operating or finance lease at inception date based on whether substantially all of the risks and rewards incidental to ownership of the underlying asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

The lease income from operating leases is recognised on a straight line basis over the lease term. Finance income under a finance lease is recorded on a basis to reflect a constant periodic rate of return on the Company's net investment in the lease.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 1.1 Summary of Significant Accounting Policies (continued)

(c) Financial Instruments

Initial recognition and measurement

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 the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified as "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value or amortised cost using the effective interest method. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment (loss allowance), and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)**

Note 1.1 Summary of Significant Accounting Policies (continued)

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

(e) Employee Benefits

Employee benefit obligations are presented as current liabilities if the organisation does not have an unconditional/vested right to defer settlement for at least 12 months after the year end, irrespective of when the actual settlement is expected to take place and are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Annual leave

Annual leave shall be presented as a current liability, notwithstanding that historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

Long service leave

Long service leave shall be presented as a current liability, to the extent that employees have a vested right there to, notwithstanding that their expectations or historical records will confirm that staff are unlikely to take their full entitlement within 12 months of the year end.

Long service leave shall be presented as a non-current liability, to the extent that employees do not have a vested right thereto.

Long service leave is accrued at the rate of pay that is expected to be in force when it is taken and then discounted back to current present value. This only applies to non-current liabilities.

Retirement benefit obligations

Defined contribution superannuation benefits

All employees of the entity receive defined contribution superannuation entitlements, for which the entity pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Company's statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)**

Note 1.1 Summary of Significant Accounting Policies (continued)

(f) Cash and Cash Equivalents

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

(g) 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 (ATO).

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 ATO is included with other receivables or payables in the statement of financial position.

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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(h) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(i) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(j) Comparative Figures

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

(k) Trade and Other Payables

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

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 1.1 Summary of Significant Accounting Policies (continued)

(l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

Long Service Leave Entitlement

Assessments are made on the probability of staff taking long service leave. This took into account history within the Club itself and characterisation of the Club industry. Staff with five years services were assessed at 55%, six years at 65%, seven years at 75%, eight years at 80% and beyond that at 100%.

Depreciation

Assessments are made on the useful lives of fixed assets. Depreciation rates are set accordingly.

(m) Economic Dependence

Ocean Shores Country Club Ltd is dependent on the bank's loan facility, from time to time, to meet the shortfall in the liquidity position. Your attention is drawn to Note 12.

Ocean Shores Country Club Ltd is dependent on the members and patrons for the majority of its revenue used to operate the business. At the date of this report the Board of Directors has no reason to believe the members and patrons will not continue to support Ocean Shores Country Club Ltd.

Note 1.2 Change in Accounting Policy

In previous financial years, the Club prepared general purpose financial statements prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The Club determined to early-adopt Australian Accounting Standards – Simplified Disclosures.

There were no changes to the recognition criteria or basis of measurement for amounts reported in the Club's financial statements compared to prior years, however some changes in disclosure have occurred.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 2 Revenue and Other Income

	Note	2021 \$	2020 \$
Revenue			
Revenue from contracts with customers			
— Beverage		1,283,778	1,330,667
— Gaming		785,116	535,845
— Golf - comp and green fees		570,121	547,293
— Pro-shop - product sales		428,353	313,911
— Golf membership		392,953	341,092
— Entertainment and promotions		168,286	154,956
— Pro-shop - cart hire and sundries		147,922	171,485
— TAB, Keno and ATM commission		75,819	76,572
— Bowling		72,933	67,322
— Raffles - house		36,810	48,002
— Government subsidy		17,180	17,180
— Other		142,843	134,576
		<u>4,122,114</u>	<u>3,738,901</u>
Other income			
— Federal government Jobkeeper subsidy		289,500	240,000
— Federal government cash flow boost subsidy		50,000	50,000
— Grants - generator & practice range shelter		8,184	8,184
— Gain on disposal of property, plant and equipment		8,000	-
— Donations		2,591	28,685
— Sponsorship		2,467	65,765
Total other income		<u>360,742</u>	<u>392,634</u>
Diaggregation of revenue from contracts with customers			
Timing of revenue recognition			
— At a point in time		3,729,161	3,397,809
— Over time		392,953	341,092
Total revenue from contracts with customers		<u>4,122,114</u>	<u>3,738,901</u>

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30 JUNE 2021
 (Continued)

Note 3 Expenses

	Note	2021 \$	2020 \$
a. Expenses			
Employee benefits expense:			
— Employee benefits expense including contributions defined contribution superannuation funds		1,632,889	1,660,619
— Employee on-costs	3(b)	<u>108,407</u>	<u>86,305</u>
Total employee benefits expense		<u>1,741,296</u>	<u>1,746,924</u>
Depreciation and amortisation:			
— Land and buildings		117,597	124,640
— Plant and equipment		<u>346,324</u>	<u>338,463</u>
Total depreciation and amortisation		<u>463,921</u>	<u>463,103</u>
Finance costs:			
— interest expense on financial liabilities, equipment loans & leases		36,887	31,536
Cost of sales			
— Bar		560,461	588,032
— Pro-shop		274,347	217,298
— Half Way House		<u>85,006</u>	<u>77,814</u>
		<u>919,814</u>	<u>883,144</u>
(b) Other			
— Repairs and Maintenance		167,981	182,885
— Prizes		127,967	105,294
— Employee on costs	3(a)	108,407	86,305
— Electricity & gas		74,316	70,924
— Fertilisers, sand and chemicals		73,288	66,917
— Insurance		71,115	53,699
— Accounting and audit	3 (i)	68,391	42,402
— Rates and water		40,667	40,342
— Advertising & promotions		38,585	86,579
— Cleaning supplies & rubbish removal		32,685	31,409
— Raffle & members draw		32,613	64,295
— Affiliation fees		31,047	40,074
— Foxtel		28,716	24,643
— Central Monitoring		24,037	15,154
— Entertainment		22,677	38,885
— Fuel and other vehicle costs		18,218	30,214
— Security		18,089	27,541
— Mid-week packages-lunches		9,465	22,052
— Donations - Peter Irby Charity		1,501	29,270
— Other operating expenses		<u>255,098</u>	<u>255,696</u>
		<u>1,244,863</u>	<u>1,314,580</u>

3 (i) This includes the externally provided management and financial accounting roles of \$44,670 (2020: \$17,676)

OCEAN SHORES COUNTRY CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 4 Cash and Cash Equivalents

	Note	2021 \$	2020 \$
CURRENT			
Cash float		134,184	121,111
TAB Account		7,150	504
Keno Account		2,785	10,475
Business Management Account		561,939	398,029
Heritage Foundation Acc - CBA	6(b)	<u>58,122</u>	<u>9,229</u>
Total cash and cash equivalents as stated in the statement of financial position and statement of cash flows		<u><u>764,180</u></u>	<u><u>539,348</u></u>

Note 5 Property, Plant and Equipment

	2021 \$	2020 \$
Land and Buildings		
Freehold land:		
— At cost	<u>472,216</u>	<u>472,216</u>
Total land	<u>472,216</u>	<u>472,216</u>
Buildings:		
— At cost	2,394,338	2,394,338
— Less accumulated depreciation	<u>(1,367,452)</u>	<u>(1,249,855)</u>
Total buildings	<u>1,026,886</u>	<u>1,144,483</u>
Total land and buildings	<u>1,499,102</u>	<u>1,616,699</u>
Plant and equipment		
— At cost	4,409,143	4,053,528
— Less accumulated depreciation	<u>(3,355,981)</u>	<u>(3,026,215)</u>
	<u>1,053,162</u>	<u>1,027,313</u>
Capital Works-in-Progress (CWIP)		
— At cost	<u>15,610</u>	<u>3,110</u>
	<u>15,610</u>	<u>3,110</u>
Total property, plant and equipment	<u><u>2,567,874</u></u>	<u><u>2,647,122</u></u>

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ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 5 Property, Plant and Equipment (continued)

Movements in Carrying Amounts

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

	Land \$	Buildings \$	Plant and Equipment \$	Capital Works in Progress \$	Total \$
2021					
Balance at the beginning of the year	472,216	1,144,483	1,027,313	3,110	2,647,122
Additions	-	-	372,173	12,500	384,673
Disposals	-	-	(16,559)	-	(16,559)
Depreciation expense	-	(117,597)	(346,324)	-	(463,921)
Depreciation written back	-	-	16,559	-	16,559
Carrying amount at the end of the year	<u>472,216</u>	<u>1,026,886</u>	<u>1,053,162</u>	<u>15,610</u>	<u>2,567,874</u>

	2021 \$	2020 \$
(a) Fixed asset additions/assets capitalised in current financial year	384,673	185,906
— Less asset additions in terms of right of use lease agreements	(153,958)	(46,184)
— Less finance provided by poker machine suppliers through extended terms/ instalment arrangements (which doesn't involve the movement of cash)	-	(23,400)
— Less asset acquisitions funded by bank loans	<u>(91,000)</u>	<u>-</u>

Fixed assets paid from the Company's cash & cash equivalents and disclosed under 'investing activities' per cashflow statement

139,715 116,322

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 6 Trade and Other Payables

	Note	2021 \$	2020 \$
Current			
Trade payables		159,208	77,880
Deferred income - membership fees in advance		260,040	342,570
Accrued expenses and other payables		28,137	25,082
Australian Tax Office – GST and PAYG	10,16	172,291	258,800
Golf points, Prize Ledger and E-Wallet liability		58,311	64,791
Sponsorships payable		20,795	-
Grants - generator and practice range shelter		8,190	8,190
Heritage Foundation	6(b)/4	58,631	10,031
Superannuation and other payroll liabilities	16	13,284	39,081
	6(a)	<u>778,887</u>	<u>826,425</u>
Non-current			
Grants- generator & practice range shelter		53,217	61,401
	6(a)	<u>53,217</u>	<u>61,401</u>
(a) Financial liabilities at amortised cost classified as trade and other payables			
Trade and other payables:			
— Total current		778,925	826,425
— Total non-current		53,217	61,401
		832,142	887,826
Less deferred income		<u>(260,040)</u>	<u>(342,570)</u>
Financial liabilities as trade and other payables	12	<u>572,102</u>	<u>545,256</u>
(b) Heritage Foundation			

The corresponding bank account is disclosed in note 4. The inclusion of the Heritage Foundation in the cashflow statement does not have a material impact thereon.

(c) Government grants – generator and practice range shelter**Balance sheet and profit & loss**

During the 2019 financial year, the entity received a government grant of \$65,000, primarily to assist with the purchase of the generator. The government grant is recognised as revenue systematically over the useful life of the generator, in accordance with accounting policy note 1 (a). At 30 June 2019, the board determined its lifespan to be 10 years. Its lifespan is reviewed annually.

OCEAN SHORES COUNTRY CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 7 Borrowings

	Note	2021 \$	2020 \$
Current			
Bank Loans - equipment	7(a)	115,846	113,613
Right of use lease liability	13	40,211	5,197
Lease liabilities	7(c)	-	13,783
Installment arrangements	7(b)	-	33,235
Bank loans	7(a)	-	201,748
		<u>156,057</u>	<u>367,576</u>
Non-current			
Lease liabilities	7(c)	-	1,084
Bank Loans - equipment	7(a)	110,291	94,070
Right of use lease liability	13	93,089	6,702
		<u>203,380</u>	<u>101,856</u>
TOTAL BORROWINGS	11	<u>359,437</u>	<u>469,432</u>

(a) Bank Loans

— **Better Business**

The Company has a Better Business Loan facility of \$600,000 with the Commonwealth Bank of Australia (CBA).

- The loan matures and the facility expires on 20 November 2022
- This is a 'redraw' facility.
- The Company is only required to service the interest component until the loan matures.

Bank loan details

Facility summary

Total facility summary at 30 June 2021	Interest	Period	Repayment arrangements	Facility	Utilised	Available
— Better Business Loan	Variable - base rate less 3.4%	20/11/19- 20/11/22	interest only until 20/11/2022	600,000	-	600,000
— Corporate Charge Card	Variable		closed monthly	25,000	-	25,000
				<u>625,000</u>	<u>-</u>	<u>625,000</u>

OCEAN SHORES COUNTRY CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 7 Borrowings (continued)

— **Security for the Better Business Loan and Corporate credit card**

- A First Rank Registered Mortgage by Ocean Shores Country Club Ltd ACN 000 724 676 over the commercial property situated at 113A Orana Rd, Ocean Shores
- General security interest by Ocean Shores Country Club Ltd ACN 000 724 676 comprising: First Ranking Charge over All Present & After acquired Property.

— **Equipment loans - Commonwealth Bank of Australia (CBA)**

Such loans were taken out for the purpose of acquiring plant and machinery for use on the golf course, and golf carts for hiring out to members.

Aggregated details of such loans are as follows:

	Expires	Monthly repayment	Balance at end of current year	Balance at end of prior year
		\$	\$	\$
Plant and machinery (golf course, equipment)	31/08/2021 to 02/10/2024	5,788	191,423	82,149
Plant and machinery (golf carts)	02/03/2021 *	4,840	34,714	125,534
		<u>10,628</u>	<u>226,137</u>	<u>207,683</u>

*- Due to the 2020 COVID-19 lockdown, CBA business loan repayments were deferred during the period April to September 2020. As a result, existing loan terms were extended for a period of six (6) months. During the deferral period, interest and charges continued to accrue at the agreed rates and were added to the total loan balances. Repayments for these loans recommenced during October 2020.

— **Security for equipment loans**

The bank holds security over the respective equipment to cover the indebtedness to the bank.

(b) Installment arrangements

This represents installment arrangements to acquire poker machines and office equipment where the supplier acts as the financier. The arrangements are secured to the extent that the equipment remains the property of the supplier until the final instalment has been paid. The cash flow statement reports as a cash outflow, under the financing activities category, instalment repayments.

(c) Lease liabilities

The Company has entered into a lease arrangement with Commonwealth Bank of Australia (CBA) in respect of plant and equipment.

- \$1,263 is payable monthly over 60 months with a residual of \$10,846.
- The balance at 30 June 2021 was nil (2020: \$14,867).

OCEAN SHORES COUNTRY CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 8 Provisions

	2021	2020
Current	\$	\$
Provision for employee benefits: annual leave	105,738	72,979
Provision for employee benefits: long service leave	39,777	32,630
	<u>145,515</u>	<u>105,609</u>
Non-current		
Provision for employee benefits: long service leave	35,656	47,275
	<u>181,172</u>	<u>152,884</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

Note 9 Capital and Leasing Commitments

(a) Finance Lease Commitments	Note	2021	2020
Payable – minimum lease payments:		\$	\$
– not later than 12 months	7(c)	-	13,783
– between 12 months and five years	7(c)	-	1,084
		<u>-</u>	<u>14,867</u>

Note 10 Key Management Personnel Compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly, including any director (whether executive or otherwise) is considered a key management personnel (KMP).

The totals of remuneration paid to KMP of the entity during the year are as follows:

	2021	2020
	\$	\$
KMP compensation	<u>194,439</u>	<u>268,280</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 11 Financial Risk Management

The entity's financial instruments consist mainly of deposits with banks, short-term and long-term investments, payables and borrowings.

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

	Note	2021 \$	2020 \$
Financial assets			
— cash and cash equivalents	4	764,180	539,348
— trade and other receivables		<u>13,912</u>	<u>159,725</u>
Total financial assets		<u><u>778,092</u></u>	<u><u>699,073</u></u>
Financial liabilities			
— trade and other payables	6(a)	572,102	545,256
— borrowings	7	<u>232,839</u>	<u>469,432</u>
Total financial liabilities		<u><u>804,941</u></u>	<u><u>1,014,688</u></u>

Note 12 Liquidity position

The Company's current liabilities exceed its current assets by \$74,777 at 30 June 2021 (2020: \$420,277).

This together with other liquidity ratios indicate that it is necessary from time to time to access the bank's available Better Business loan facility of \$600,000 to settle creditors when they fall due.

The facility expires and matures on 20 November 2022. (See Note 7(a)). At 30 June 2021, the loan was undrawn, meaning that the full \$600,000 limit of the facility was available to the Club at year end.

The Company is significantly reliant on the Banks' ongoing provision of the loan funding more fully discussed in note 7(a).

The Directors have no reason to believe that this support will not continue for the foreseeable future.

Your attention is drawn to note 16 - events after balance sheet date - regarding the repayment of ATO liabilities.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 13 Right of use assets and lease liabilities

	Note	2021 \$	2020 \$
Right-of-use assets			
Net book value (included in plant and equipment)	5	<u>130,059</u>	<u>14,323</u>
Right-of-use lease liabilities			
Current			
Right of use lease liability	7	<u>40,211</u>	<u>5,197</u>
		<u>40,211</u>	<u>5,197</u>
Non-current			
Right of use lease liability	7	<u>93,089</u>	<u>6,702</u>
		<u>93,089</u>	<u>6,702</u>
Total right-of-use lease liabilities		<u>133,300</u>	<u>11,899</u>
Right of use lease liabilities are secured by the underlying leased assets.			
Amortisation expense for right of use assets		<u>38,223</u>	<u>34,285</u>

Note 14 Entity Details

The registered office of the entity is:

Ocean Shores Country Club Ltd
Orana Road
Ocean Shores NSW 2483

The principal place of business is:

Ocean Shores Country Club Ltd
Orana Road
Ocean Shores NSW 2483

Note 15 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that members are required to contribute a maximum of \$5,620 towards meeting any outstanding obligations of the entity.

OCEAN SHORES COUNTRY CLUB LTD
ABN: 84 000 724 676

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Note 16 Events occurring after balance and going concern (including the impact of COVID-19)

The coronavirus pandemic (COVID-19) resulted in the closure of clubs and other hospitality venues from midday 23 March 2020 until 1 June 2020, reopening with restricted capacity to comply with social distancing requirements. The Club was able to operate for the full period during the year ended 30 June 2021, albeit with continuing and fluctuating capacity limits during this time.

Events occurring after balance date

Subsequent to 30 June 2021, at 6pm on 9 August 2021 the Byron Bay Local Government area, in which the Club is located, was placed into a COVID-19 lockdown. The lockdown was lifted at 12.01am on 11 September 2021. During the lockdown, the Clubhouse was closed for all trading with the exception of golfing activities which included the operation of the Pro Shop and 'Half-Way House'. During the lockdown, player numbers were down due to restrictions imposed by public health orders and social distancing requirements.

At the time of signing the financial reports, all trading areas of the Club were operational and subject to ongoing restrictions to operational capacities in line with public health orders imposed due to COVID-19.

At 30 June 2021, the Company owed \$169,646 (\$258,800) to the ATO in relation to GST and PAYG. \$85,213 is the balance on the payment arrangement entered into in September 2020 and \$84,433 relates to the June 2021 activity statement. The Club is currently in negotiations with the ATO with respect to the timing of the payment of this activity statement.

Other than those arising from the impact of COVID-19, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in future financial years.

COVID-19 had a material impact on the core revenue, expense structures and cashflows of the Company for the year ended 30 June 2020 and a reduced impact for the year ended 30 June 2021. COVID-19 is expected to continue to have an impact on the year ending 30 June 2022.

The Federal Government's response to the pandemic, through various stimulus measures has countered this impact, more fully disclosed under 'other income' (note 2).

During both the current and prior financial years, the Club was entitled to the following Federal and Statement government financial support:

Cash-flow boost - Effectively a waiver of the whole or part of the pay-as-you-go liability. It was conditional upon the Company incurring a salary expense and therefore a withholding tax liability for pay-as-you-go. This support ceased on 30 September 2020. Recognition has been in the period in which the relevant conditions were fulfilled

Job-keeper – this was a wage subsidy, payable as legislated for each employee. Job-keeper support relevant to the Club ended on 30 September 2020. Recognition has been in the period in which the relevant conditions were fulfilled.

Payroll tax - The New South Wales government announced that payroll tax had been deferred for six months. Amounts payable to the ATO were permitted to be deferred too. This has had a positive impact on the Company's cash flow.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
(Continued)

Going Concern

These financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for a period of at least twelve months from the date of approval of these financial statements.

The Club notes the unpredictability of the COVID-19 situation, and the potential impact on the going concern basis of preparation. As a result, there is a high degree of uncertainty associated with forecasting cash flows over the following twelve-month period.

However, the directors believe there are reasonable grounds to conclude that the Club will continue as a going concern on the basis of the performance for the year ended 30 June 2021 and its current year end cash balances and financial position.

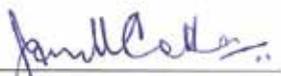
OCEAN SHORES COUNTRY CLUB LTD
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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Ocean Shores Country Club Ltd, the directors of the entity declare that:

1. The financial statements and notes, as set out on pages 5 to 29, satisfy the requirements of the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards applicable to the entity; and
 - (b) give a true and fair view of the financial position of the entity as at 30 June 2021 and of its performance for the year ended on that date.

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.



James Cotta
Director

Dated this 5th day of October 2021

**OCEAN SHORES COUNTRY CLUB LTD
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
OCEAN SHORES COUNTRY CLUB LTD**

Opinion

We have audited the financial report of the Company which comprises the statement of financial positions as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the entity is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the Company's financial position at 30 June 2021 and its performance for the year then ended; and
- ii. complying with Australian Accounting Standards – Simplified Disclosure Standard 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 (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors, 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.

Emphasis of matters

Without modifying our audit opinion, your attention is drawn to:

- Note 12 which more fully describes the Company's liquidity position and its reliance on bank support via their facilities provided.
- Note 16 which more fully describes the impact of Covid 19, the response by government via subsidies ('other income' per note 2) and extended repayment terms provided, including extended repayment arrangements with the Australian Taxation Office.

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 entity's annual report for the year ended 30 June 2021 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 were provided the Directors report: we have nothing to report in this regard. We were not furnished with any other information (i.e. other reports included in the entity's annual report): we do not report thereon as we have not read them.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosure Standard 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 entity 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity'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 entity 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the entity audit. We remain solely responsible for our audit opinion.

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

WFD Assurance Services

WFD Assurance Services

Santos Place
Level 27, 32 Turbot Street
Brisbane
Dated: 5 October 2021

Lance Smith

**LR Smith
Principal**

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Elders Real Estate Brunswick Heads

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Ocean Shores Tavern

Pottsville Tavern

Ray Towers Carpet

Robina Financial Solutions

Swell Building

TK Electrical

Toro Australia

Turf Irrigation Services

Turfcare Solutions

WD Nicholls Accountant



2022 marks Ocean Shores Country Club's 50th Anniversary.

The Club acknowledges the wonderful contributions of Members and Staff over the past fifty years and we look forward to celebrating the Club's many achievements.

Planning is well advanced towards a range of activities and events commencing in early 2022 and culminating in a 50th Anniversary Dinner during May 2022.

Be part of the festivities and activities to mark this significant milestone in your Club's history.





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