



ANNUAL REPORT

year ended 31st December 2022





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President's Report

Dear Members,

On behalf of the Board of Directors, it is with a strong sense of pride and achievement that I submit my Annual Report for 2022. I am extremely proud to be your President and I thank all our members again for the opportunity to represent you.

I refuse to mention that dreaded word that has haunted us all for the past few years. The positive is we have learnt from the challenges and are focused ahead. I am pleased to report that your Club's have achieved a strong financial result in 2022 and are looking forward to continued development, growth, and prosperity into 2023.

The results are a direct reflection of four key influences, astute strategy and business planning, strong leadership, a connected team and most importantly, a wonderful, supportive membership base. I thank all our team, our members, and the wider community for your significant contribution towards this success.

The accounts are presented within, but in summary we have achieved revenue of \$31M, an operating profit of just under \$3M and an EBITDA of \$6.2M. Membership was again strong, visitation was strong and each of our business divisions performed to expectation.

Our commitment to the local community and beyond is significant and most rewarding. We strive to be a leader in the development of community life and spirit and have reinforced our commitment to the community with a robust community development strategy. We continue to develop and facilitate purposeful long term community partnerships in line with local Government area priorities. In 2022, we contributed over \$1.5M in support through the ClubGrants program, sponsorships, donations, gift cards, prizes, volunteering and in-kind support. A detailed list of our community support is within the report.

To all our sub clubs, sporting bodies and affiliated sporting organisations, congratulations on your successes in 2022, thank you for your support of our clubs and we look forward to a rewarding 2023. The efforts of your committees and volunteers to provide sporting opportunities to our community are wonderful.

To our RSL Subbranch, thank you again for everything you do in providing commemorative services and events to acknowledge our armed forces, pay respect to our Servicemen and Women and deliver the spirit of Anzac. Thank you also for your continued initiatives throughout our local schools and the wider community. The new Subbranch office is a well-oiled machine and a wonderful hub for connecting, reflecting and veteran welfare.

I repeat myself each year, however, to be the best and create the best experiences for our members & make the best contributions to our community we must have the best people. I am proud to say we do have the best team. Thank you to my fellow Board members, your dedication is unsurpassed. Thank you to our CEO Darren Thornton and his executive management team. Thank you to all the operational leaders, our administrative team, and our awesome front of house teams.





“ We embrace our proud history, fusing this with innovation, relevance and passionate people to deliver unique & memorable experiences for our members, and our growing community.”

President
Kevin Baldwin

continued

Collectively, behind the good times, we have a serious purpose. A purpose to create memorable moments, deliver exciting experiences, deliver exciting products and serve our members passionately and proudly. This is what makes us unique, and it is an honour to do so.

Finally, on behalf of the whole team at The Doylo Lifestyle Group (Doylo, Sporties, Active Fitness HQ and Raw Challenge), thank you to our loyal members and the community for your continued support, your continued patronage, and your open and honest feedback.

I just love seeing everyone back in the Club's enjoying themselves again after a challenging couple of years. 2022 was a successful year and now forms the foundation as we enter 2023 and beyond with enthusiasm.

Kevin Baldwin
President





Dear Members,

It is my great privilege to present my Annual Report for 2022 to all our loyal & valued members. Whilst we were still recovering from the challenging financial, operational, and social impacts of the pandemic, your club and its team of passionate employees, have bounced back to deliver awesome experiences, provide significant support to our community and deliver a strong financial performance in 2022.

As a collective, a family, I am so proud of the support from our members, the support of our Board, the support of the wider community, the diligence of my management & administrative teams and most importantly, the passion and dedication of our front of house team.

As mentioned, we have produced a strong financial result whilst being able to invest significantly into our places & spaces, our people, our community, and our future developments. The financial performance is well documented within the Annual Report. As a business snapshot we have achieved:



Revenue:
\$31.5M



Operating Profit:
\$2.9M



EBITDA:
\$6.2M



EBITDA %:
19.6%



Total Assets:
\$54M



Membership:
30,106



Total visitation:
448,693

These results are not achieved through coincidence but rather effectively executed plans driven by our strategic business plan and divisional objectives. These strategies are endorsed by our Board of Directors, mentored by the executive team, managed by our divisional leaders, and delivered by our wonderful operational teams. This leading at all levels approach ensures we are focused at every level within every business unit.

continued over





“ It’s now time to focus on creating a way of life, and I know the team is excited about that. ”

CEO
Darren Thornton

continued

Our estate planning continues to evolve and develop with a high level of complexity, layers of bureaucratic challenges and multifaceted collaboration with community, private, corporate and government stakeholders. To this end, the Board recognised the importance to have expertise in this area of the business. Brett Elliss was appointed to the role of Chief Commercial Officer, tasked with managing our DLG estate developments, business acquisitions and commercial opportunities.

Excitingly, our Planning Proposal was successfully Gazetted on 9th December 2022. This was a 5-year process enabling a change to higher order land zoning and the permissibility of additional land uses in alignment with our Structure Plan informed through significant Market and Economic Research. This approval is a significant milestone for DLG.

Other significant milestones in 2022 included:

- Implementation of a comprehensive accounting, budgeting & financial modelling program.
- Cloud based content management system.
- Digital rewards program system.
- State of the art audio visual technology.
- Inhouse analysis of the 2021 census data to develop our drive time market analysis.
- The Group's financial year changed calendar year end to financial year end.

Both diversified business assets in Active Fitness and Raw Challenge continue to perform well in an increasingly competitive market. Both businesses provide wonderful facilities for our members and the wider community to connect with each other, challenge themselves, invest in your own wellbeing, meet new people and have some fun. Once again, I thank both Rachael & Todd for encouraging people to challenge themselves and choose to live well.

The Club continues to be a proud leader in promoting community life and spirit. Our contribution to the community is genuine and significant. We continue to provide many kinds of support to community projects by way of financial support, in-kind support, volunteering, collaborating, and referrals. Each of these elements contribute to enhancing our community life and spirit. This support is something all members should be very proud of. I refer you to our community report, outlining our commitment to the wider community. Again, we have invested over \$1.5M back into the community.

A couple of projects we are most proud of include:

- A community partnership with We Care Connect. We run two programs “Doylo Doonas”, providing warmth for vulnerable children and families in winter and “Nappies in November” supporting young vulnerable Mums and their babies.





- The Super tee project. Being able to supply the 1st delivery of Super tees into Wyong Hospital paediatric unit for seriously ill children is something we are very proud to be a part of.
- A commitment to Camp Breakaway of \$50,000 to be able to continue to run their high needs and respite camps.

Our sporting fields have again played host to many sporting organisations, schools, community groups and community events. In 2022, over 100,000 persons have utilised our fields free from charge and we have provided a home for touch football, soccer, and many other sports in addition to hosting a number of sporting carnivals, school programs and community events.

A huge congratulations and thankyou to our RSL Subbranch for your community engagement programs and your member welfare initiatives. Likewise, to our sporting affiliates Doylo Soccer and Doylo Touch who both continue to provide sporting opportunities to the members of our community. Both committees are very professional and very community minded. A special mention to Doylo Touch who were recognised as the best and most successful club in NSW.

I am privileged to have a wonderful support team around me from the Board of Directors, led by our President Kevin Baldwin, our management and operational leaders and our customer service gurus, who all epitomise our values and work collectively to be the best they can be.

Support has been the key to navigating the way forward and I am very proud that we in return as an organisation have been able to support our team with innovative initiatives including:

- Introduction of an innovative & recurring wellness check in program.
- Innovative reward & recognition program.
- Free fitness centre membership & specific team challenges.
- Introduction of the “Doylo Pantry” “Fuel to Deliver” program. Providing free meals and hearty & healthy snacks in our employee retreat.

Finally, thank you to our members. Thank you for your support, your understanding at times, your feedback, and your humour.

I look forward to sharing a rewarding 2023 with you all.

Darren Thornton
CEO

Community Snapshot



\$1.5M
COMMUNITY SUPPORT
CLUB GRANTS
DONATIONS & SPONSORSHIPS
INKIND



1000HRS
VOLUNTEERING



100K
USED OUR MULTI-USE
SPORTING FIELDS



5000
PEOPLE ATTEND
ANZAC DAY CEREMONIES



200
LOCAL COMMUNITY
MEMBERS EMPLOYED



**OUR TEAM
SUPPORT**
RUOK
MOVEMBER
CANCER COUNCIL
JEANS FOR GENES DAY
MARK HUGHES FOUNDATION
AUST BIGGEST MORNING TEA



100
LOCAL
SUPPLIERS USED



EVAC
ACCREDITED EMERGENCY
EVACUATION CENTRE



100
LIVES SAVED
BLOOD DONATIONS



MAJOR
SUPPORTER
OF JUNIOR SPORT



**MAJOR
PARTNERS**
WESTPAC RESCUE HELICOPTER
CENTRAL COAST KIDS IN NEED
RONALD McDONALD HOUSE
OPERATION CHRISTMAS HAMPER
CAMP BREAKAWAY



**COMMUNITY
REPRESENTATION**
WOMEN IN LEADERSHIP
SPORT CENTRAL COAST
CLUBS NSW CC REGION
CENTRAL COAST KIDS IN NEED
BUILDING STRONGER COMMUNITIES GROUP



COVID-19
TESTING SITE



DOYLO.COM.AU

S
Single Comforter Set

3
HIGH LOFT MICROFIBRE COVERED QUILT



Major Community Beneficiaries

Autism Spectrum Australia (Aspect)
Brisbane Water Legacy
Camp Breakaway
Central Coast Kids in Need
Doyalson Community Garden
Dress for Success
FAIM Inc Care Arm Trust
Fair Fight Foundation Ltd
Gwandalan Lions
Gwandalan Scouts
Halekulani Community Library
Inlife Turning Point Foundation
Iris Foundation Australia Limited
Learning Links
Life Education NSW
Lifeline Direct Hunter Central Coast
Lutanda Children's Services
Manno Mens Shed
Northern Lakes Community Centre
Operation Christmas Hamper
Ozharvest
P&P Quilters
Rotary Club Northlakes Toukley
Rotary Club of Gosford North
Samaritans
San Remo Neighbourhood Centre
Solve-TAD Limited
Stroke Recovery Association NSW
The Heartland Foundation
The Super Tee Project
Top Blokes Foundation
Variety Bash
Volunteer Rescue Association
WAGS Working Age Stroke Group
We Care Connect
Westpac Rescue Helicopter Service
Wyong Mens Shed
Wyong Women's Shed
Youth & Family Education Centre



Major Sporting Beneficiaries

Blue Haven Raiders Junior Rugby League Club
Catherine Hill Bay Surf Life Saving Club
Central Coast Marlines
Doyalson Wyeec Wolves Football Club
Doylo Social Golf Club
Doylo Touch
Fraser Park Board Riders
Gwandalan Cobras Football Club
Jonti Adamson – NSW Hockey
Junior Trials Minicycle Club
Lake Munmorah High School Targeted Sports Program
Lakes Surf Life Saving Club
Northern Giants Junior AFL
Northern Lakes Junior Rugby League Club
NSW PSSA Touch Association
San Remo BMX Club
Sporties Fishing Club
Sporties Tennis Club
Summerland Point Flames Netball Club
The Samaritans
Titans Swimming Club
Wyong Netball Association

Local Schools

Blue Haven Public School
Gwandalan Public School
Lake Munmorah High School
Lake Munmorah Public School
Mannering Park Sailing Club
Northlakes Public School
St Brendan's Primary School
St Brigid's Catholic School
Tuggerawong Public School
Woongarra Public School
Wyeec Public School

Brand



30K
MEMBERS



450K
VISITORS



100K
FIELD USAGE



1.2M
GOOGLE AD REACH



2M
FACEBOOK REACH



1.5M
COMMUNITY SUPPORT

Environment



57

TONNES CO2 SAVED



80 MWH
SOLAR ENERGY



318 KL
WATER SAVED



202K
CONTAINERS RECYCLED



52
CUBIC METRES OF
LANDFILL SAVED

People



16.2K

SPEND ON TRAINING



158

EMPLOYEES



10 YRS SERVICE

3 EMPLOYEES



15 YRS SERVICE

2 EMPLOYEES



3 CERT IV

LEADERSHIP



2 NEW INITIATIVES

DOYLO PANTRY

CHECK 5 WELLNESS PROGRAM

Product



21.7K
COCKTAILS MADE



210K
SCHOONERS OF BEER Poured



2.7K
BRISKET COOKED



22K
RAFFLE PRIZES



39K
COFFEES MADE



30K
SCHNITZELS MADE



9K
PIZZAS MADE



\$200K
POINTS TO CASH VALUE

Active Fitness HQ



2K

AHFQ MEMBERS



41K

GROUP FITNESS VISITS



113K

GYM VISITS



7,000 Kms

TREADMILL USED
(Doyalson to Cambodia)



Raw Challenge



7.2K
PARTICIPANTS



18+
COMMUNITY GROUPS



55+
SCHOOL GROUPS



200
PARTICIPANTS
CHARITY EVENT
(RONALD MCDONALD HOUSE)

Estate Planning



DLG's Planning Proposal was successfully Gazetted on 9th December 2022.

Financial Snapshot



\$31,506,550
Gross Revenue



\$2,918,961
Gross Profit



\$6,184,223
EBITDA\$



19.6%
EBITDA%



\$53,787,045
Total Assets





Directors Report

for the year ended 31 December 2022

Your directors submit their report on Doyalson-Wyee R S L Club Ltd (the "Club") for the year ended 31 December 2022.

Directors

The names and details of the Club's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period.

Mr Kevin Baldwin

Mr Andrew Joe Graham

Mr Max Le Guier

Mr John Maloney

Mr John Tillman

Mr Anthony Twomey

Mr John Kane (ceased on 7 March 2022)

Mr Matthew Vawdrey (appointed on 15 May 2022 and ceased on 14 February 2023)

Names, qualifications, experience and expertise

Mr Kevin Baldwin (Chairman)

- Qualifications: Retired Corrective Services 20 years
- Responsibilities: Chairman of Board of Directors, Finance and Audit Committees

Mr Andrew Joe Graham (Director)

- Qualifications: Retired Heavy Plant Supervisor and Contractor for Plant and Equipment
- Responsibilities: Finance and Audit, Compliance Committees

Mr Max Le Guier (Director)

- Qualifications: Retired Company Director (40 years), Motel Proprietor and Rural Fire Captain (7 years)
- Responsibilities: Finance and Audit, Compliance Committees

Mr John Maloney (Director)

- Qualifications: Retired Builder
- Responsibilities: Finance and Audit Committee, Health, Hygiene, Membership and Disciplinary Committee, WHS Committee

Mr John Tillman (Director)

- Qualifications: Retired Army Warrant Officer and Retired Personnel Officer
- Responsibilities: Finance and Audit, Sports, Health, Hygiene Committees

Mr Anthony Twomey (Director)

- Qualifications: Retired Correctional Services MOS (25 years), Business Owner and Consultant
- Responsibilities: Finance and Audit, Membership and Disciplinary Committees



Directors Report (continued)

Directors (continued)

Mr John Kane (Director) – ceased on 7 March 2022

- Qualifications: Retired Air Force Squadron Leader, Business Owner and ex-Director of several organisations - including The Richmond Club and DTT
- Responsibilities: Finance and Audit, WHS Committees

Mr Matthew Vawdrey (Director) – appointed 10 May 2022 and ceased on 14 February 2023

- Qualifications: Returned Services Personnel
- Responsibilities: Finance and Audit, Sports, Membership and Disciplinary Committees

Directors' meetings

The number of meetings of directors held during the year and the number of meetings attended by each director were as follows:

	Full board		Special	
	Attended	Possible	Attended	Possible
Mr Kevin Baldwin	10	12	0	2
Mr Andrew Joe Graham	11	12	2	2
Mr Max Le Guier	11	12	2	2
Mr John Maloney	10	12	2	2
Mr John Tillman	11	12	2	2
Mr Anthony Twomey	11	12	2	2
Mr John Kane	1	2	0	0
Mr Matthew Vawdrey	8	10	1	1

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

Dividends

The corporations law prohibits a Company Limited by Guarantee from paying dividends.

Principal activities

The principal activities during the year of the Club were the promotion of the RSL movement, encouragement of sport and the provision of facilities for members and the community.

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

Operating results of the year

The net profit after tax of the Club for year ended 31 December 2022 was \$2,740,187 (2021: \$1,167,750).

Objectives

The short term and long-term objectives of the club are to continue to provide and promote social and sporting activities as well as the Returned Services League in accordance with the Constitution. These objectives are achieved by the continuing to maintain a level of operational profitability that supports the charter of the organisation and developing a long-term supporter base that will benefit from the club's success.



Directors Report (continued)

Strategy for achieving the objectives

These objectives are achieved by continuing to maintain a level of operational profitability that supports the Constitution of the organisation.

Key performance indicators

The Club measures success by focusing on financial performance and the social welfare of the club members. Some financial measures utilised by the Club are:

- Revenue
- Return on assets
- Profitability
- Wages costs
- Advertising, entertainment, marketing and promotions compared to revenue
- Earnings before interest, tax and depreciation, and earning before interest, tax, depreciation, amortisation, rent and donations.

Environmental issues

The directors believe that the Club has complied with all significant environmental regulations under the laws of the State and Commonwealth.

Shares in companies

The Club does not hold shares in any related company or corporation.

Contributions on winding up

In the event of the Club being wound up, ordinary members are required to contribute a maximum of \$5 each. Honorary members are not required to contribute.

The total amount that members of the Club are liable to contribute if the Club is wound up is \$150,530 (2021: \$156,640), based on 30,106 (2021: 31,328) current ordinary members.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Club during the year.

Significant events after the reporting period

There were no significant events occurring after the reporting period which may affect either the Club's operations or results of those operations or the Club's state of affairs.

Likely developments and expected results

Likely developments in the operations of the Club and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Club.



Directors Report (continued)

for the year ended 31 December 2022

Indemnification of officers and auditor

During the year, the Club effected directors and officers' liability policy. The insurance policy provides cover for the directors named in this report, the Club secretary, officers and former directors and officers of the Club.

This policy prohibits the disclosure of the nature of the indemnification and the insurance cover, and the amount of the premium.

To the extent permitted by law, the entity has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

Auditor's independence

The directors have received a declaration from the auditor of Doyalson-Wyee R S L Club Ltd. This has been included on page 5.

Signed in accordance with a resolution of the directors.

Mr Kevin Baldwin
Chairman
28 February 2023

Mr Max Le Guier
Director
28 February 2023

Auditors Independence Declaration

for the year ended 31 December 2022



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Doyalson-Wyee RSL Club Limited

As lead auditor for the audit of the financial report of Doyalson-Wyee RSL Club Limited for the financial year ended 31 December 2022, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Daniel Cunningham'.

Daniel Cunningham
Partner
28 February 2023

Statement of profit & loss and other comprehensive income

for the year ended 31 December 2022

For the year ended 31 December 2022

		2022	2021
	Notes	\$	\$
Revenue			
Revenue from contracts with customers	4	31,245,269	20,884,409
Other income	5	212,600	1,198,805
Finance income	6	48,681	4,001
Total revenue		<u>31,506,550</u>	<u>22,087,215</u>
Expenses			
Cost of goods sold		(3,201,069)	(2,190,102)
Advertising expenses		(66,533)	(59,485)
Cleaning		(338,709)	(217,370)
Central monitoring expenses		(139,979)	(98,838)
Computer expenses		(165,368)	(188,059)
Consultancy expenses		(69,129)	(66,160)
Depreciation and amortisation		(3,148,830)	(2,565,051)
Directors' honorarium and benefits		(95,357)	(91,438)
Donations		(13,773)	(7,984)
Employee benefit expenses		(10,352,629)	(8,276,835)
Entertainment, marketing and promotions expenses		(2,263,194)	(1,570,933)
Finance costs		(116,432)	(122,816)
Insurance expenses		(817,937)	(636,827)
Member amenities expenses		(815,551)	(441,480)
Light and power expenses		(356,866)	(302,657)
Poker machine duty tax		(4,126,746)	(2,445,267)
Rent expenses		(1,728)	(1,678)
Repairs and maintenance expenses		(827,808)	(594,261)
Security expenses		(301,503)	(224,187)
Fair value loss on financial assets		(80,290)	-
Other expenses		(1,288,158)	(861,162)
Total expenses		<u>(28,587,589)</u>	<u>(20,962,590)</u>
Profit before tax		2,918,961	1,124,625
Income tax (expense)/benefit	7	(178,774)	43,125
Profit for the year		<u>2,740,187</u>	<u>1,167,750</u>
Other comprehensive loss			
<i>Other comprehensive loss that may not be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Loss on the revaluation of land and buildings, net of tax		-	-
Other comprehensive loss		-	-
Total comprehensive income for the year		<u>2,740,187</u>	<u>1,167,750</u>

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

Statement of financial position

for the year ended 31 December 2022

As at 31 December 2022

		2022	2021
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	8	5,615,863	2,964,385
Trade and other receivables	9	330,789	763,408
Inventories	10	259,001	212,118
Prepayments and other assets	11	609,183	497,721
Income tax receivable		-	113,953
Total current assets		6,814,836	4,551,585
Non-current assets			
Other financial assets	12	1,713	2,901,897
Property, plant and equipment	13	43,420,167	44,900,061
Capital work in progress	14	1,908,483	1,516,016
Intangible assets	15	1,524,652	1,533,559
Deferred tax assets	7	117,194	202,649
Total non-current assets		46,972,209	51,054,182
Total assets		53,787,045	55,605,767
Liabilities			
Current liabilities			
Trade and other payables	16	2,448,231	2,196,082
Income tax payable		174,052	-
Borrowings	17	1,228,877	1,264,634
Employee benefit liabilities	18	1,488,723	1,365,533
Total current liabilities		5,339,883	4,826,249
Non-current liabilities			
Borrowings	17	400,886	5,328,513
Employee benefit liabilities	18	169,638	142,486
Deferred tax liabilities	7	762,075	934,143
Total non-current liabilities		1,332,599	6,405,142
Total liabilities		6,672,482	11,231,391
Net assets		47,114,563	44,374,376
Equity			
Reserves	19	2,663,077	2,663,077
Retained earnings		44,451,486	41,711,299
Total equity		47,114,563	44,374,376

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

Statement of changes of equity

for the year ended 31 December 2022

For the year ended 31 December 2022

	Reserves (Note 19)	Retained earnings	Total equity
	\$	\$	\$
At 1 January 2022	2,663,077	41,711,299	44,374,376
Profit for the year	-	2,740,187	2,740,187
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,740,187	2,740,187
At 31 December 2022	2,663,077	44,451,486	47,114,563
At 1 January 2021	2,663,077	40,543,549	43,206,626
Profit for the year	-	1,167,750	1,167,750
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	1,167,750	1,167,750
At 31 December 2021	2,663,077	41,711,299	44,374,376

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

Statement of cash flows

for the year ended 31 December 2022

For the year ended 31 December 2022

		2022	2021
	Note	\$	\$
Operating activities			
Receipts from customers (inclusive of GST)		35,186,529	23,407,295
Payments to suppliers and employees (inclusive of GST)		(28,309,780)	(21,262,565)
Dividends received		16	12,188
Interest received		48,681	4,001
Interest paid		(116,432)	(122,816)
Income tax refunded		22,618	2,559
Government stimulus package received		-	181,393
Net cash flows from operating activities		6,831,614	2,222,035
Investing activities			
Payments for capital work in progress		(392,467)	(1,812,619)
Proceeds from sale of investments		2,819,894	-
Payment for investments		-	(747)
Proceeds from sale of property, plant and equipment		11,002	169,035
Purchase of property, plant and equipment		(1,656,164)	(1,240,953)
Purchase of intangible assets		(9,990)	(22,360)
Net cash flows from/(used in) investing activities		783,278	(2,907,644)
Financing activities			
Net repayments of borrowings		(4,963,384)	(312,263)
Net cash flows used in financing activities		(4,963,384)	(312,263)
Net increase/(decrease) in cash and cash equivalents		2,651,508	(997,872)
Cash and cash equivalents at 1 January		2,964,385	3,962,257
Cash and cash equivalents at 31 December	8	5,615,893	2,964,385

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



Notes to the financial statements

for the year ended 31 December 2022

For the year ended 31 December 2022

1. Corporate information

The financial statements of Doyalson-Wyee R S L Club Ltd (the "Club") for the year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 28 February 2023.

Doyalson-Wyee R S L Club Ltd is a not-for-profit, unlisted Company, limited by guarantee, incorporated and domiciled in Australia.

The registered office and principal place of business is Lot 1 Pacific Highway, Doyalson, NSW 2262.

The directors have the power to amend and reissue the financial statements.

Further information on the nature of the operations and principal activities of the Club is provided in the directors' report. Information on the related party relationships of the Club is provided in Note 22.

2. Significant accounting policies

2.1 Basis of preparation

These general purpose financial statements have been prepared in compliance with the requirements of the *Corporations Act 2001 and Australian Accounting Standards - Simplified Disclosures*. The Club is a not-for-profit entity which is not publicly accountable.

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.

The financial statements are presented in Australian dollars (\$).

Certain figures in the comparative financial statements have been reclassified to conform to the current year's presentation.

2.2 Changes in accounting policies and disclosures

New and amended standards and interpretations

The new and amended Australian Accounting Standards and Interpretations that apply for the first time in 2021 do not materially impact the consolidated financial statements of the Club.

Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective. Other than the early adoption of *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*, the Club has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective for the annual reporting year ended 31 December 2022.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies

a) Current versus non-current classification

The Club presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Club classifies all other liabilities as non-current.

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

b) 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.

c) 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.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Club's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Club has applied the practical expedient, the Club initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Club's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Club commits to purchase or sell the asset.

Subsequent measurement

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

d) Financial instruments (continued)

The Club's financial assets at amortised cost includes trade and other receivables and other current and non-current financial assets.

Trade and other receivables

A receivable represents the Club's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value. The Club holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate (EIR) method.

For trade receivables, the Club applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Club does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment of financial assets

The Club recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Club expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Club applies a simplified approach in calculating ECLs. Therefore, the Club does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Club has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Club's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Club has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Club has transferred substantially all the risks and rewards of the asset, or (b) the Club has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Club has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Club continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Club also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Club has retained.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

d) Financial instruments (continued)

Derecognition (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Club could be required to repay.

(ii) Financial liabilities

Initial recognition and measurement

The Club's financial liabilities, at initial recognition, are classified as trade and other payables, loans and borrowings. These are classified, at initial recognition, as loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Trade and other payables

Trade and other payables are carried at amortised cost and due to their short-term nature they are not discounted. They represent liabilities for goods and services provided to the Club prior to the end of the financial year that are unpaid and arise when the Club becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Club has an unconditional right to defer settlement of the liability for a least 12 months after the reporting date.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

e) 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



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

e) Inventories (continued)

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

f) Property, plant and equipment

Land are shown at fair value, based on periodic, at least every 3 to 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.

Buildings, leasehold improvement and plant and equipment are 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 over the estimated useful lives of the assets, as follows:

Land	Not depreciated
Buildings	40 years
Leasehold improvements	5 to 15 years
Poker machines	2 to 5 years
Plant and equipment	2 to 27 years
Motor vehicles	5 to 8 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss and other comprehensive income when the asset is derecognised.

g) Capital work in progress

Research and feasibility costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the club is able to use or sell the asset; the club has sufficient resources and intent to complete the development; and its costs can be measured reliably.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

h) Intangible assets

Poker machine entitlements

Poker machine entitlements are recorded at cost and have been recorded as intangible assets in the balance sheet. They are considered to have an indefinite useful life as the legislation does not specify a lifespan for the entitlements, and therefore the entitlements are not amortised.

Doyalson-Wyee RSL Club Limited has assessed the poker machine entitlements for indications of impairment. The recoverable amount has been determined based on value in use. Cash flow projections are based on net poker machine clearances and a useful economic life for the physical machines attached to the licences. The 10 year bond rate has been used to discount the cash flows to present value. No impairment loss has been identified.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset maybe impaired.

i) Impairment of non-financial assets

The Club assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Club estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations are recognised in the statement of profit or loss and other comprehensive income as expense.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

i) Impairment of non-financial assets (continued)

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Club estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j) Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for 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.

Superannuation expenses

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

k) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

l) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the club is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Club identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

l) Revenue recognition (continued)

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Membership revenue

Membership revenue is recognised on a proportional basis over the period of the membership.

Rendering of services

Revenue from rendering of services comprises revenue earned from the provision of gaming facilities together with other services to members and other patrons of the Club. Revenue is recognised when the service is provided.

Donation revenue

Donation revenue is recognised upon receipt of monies.

Rent

Rent revenue is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Loyalty points programme

The Club has a loyalty points programme which allows customers to accumulate points that can be redeemed for free products. The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the stand-alone selling price of the loyalty points, the Club considers the likelihood that the customer will redeem the points. The Club updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

Other revenue

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

m) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Club receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

n) Finance income

Interest income is recorded using the EIR method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss and other comprehensive income.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

o) Finance costs

All finance costs are expensed in the period in which they occur. Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

p) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Club operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies (continued)

p) Taxes (continued)

Deferred tax (continued)

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Club offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Non-member income of the Club is only assessable for tax, as member income is excluded under the principle of mutuality.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except:

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the revenue or the expense item or as part of the cost of acquisition of the asset, as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

3. Significant accounting judgements, estimates and assumptions

The preparation of the Club's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Club based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Club. Such changes are reflected in the assumptions when they occur.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Fair value measurement hierarchy

The Club is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The Club 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.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Club is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

3. Significant accounting judgements, estimates and assumptions (continued)

Estimates and assumptions (continued)

Income tax

The Club is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Club recognises liabilities for anticipated tax audit issues based on the Club's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or substantially enacted by the balance date and adjusted to take into account the principal of mutuality.

Recovery of deferred tax assets

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

Employee benefits provision

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.

Premises leases

The Club is occupying Summerland Sporties premises under a licence arrangement with Central Coast Council which expired on 31 May 2019. The Board of Directors are currently negotiating the lease of the premises with Central Coast Council, the terms of which have not been formalised. The Directors are of the opinion the leases will be granted for a term longer than twelve months.

Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

4. Revenue from contracts with customers

Disaggregated revenue information

Set out below is the disaggregation of the Club's revenue from contracts with customers:

	2022	2021
	\$	\$
Type of goods or service		
Provision for services	22,695,232	15,123,312
Sale of goods	8,550,037	5,761,097
Total revenue from contracts with customers	31,245,269	20,884,409
Geographical markets		
Australia	31,245,269	20,884,409
Total revenue from contracts with customers	31,245,269	20,884,409
Timing of revenue recognition		
Services transferred over time	2,552,846	1,826,514
Services transferred at a point in time	20,142,386	13,296,798
Goods transferred at a point in time	8,550,037	5,761,097
Total revenue from contracts with customers	31,245,269	20,884,409

5. Other income

	2022	2021
	\$	\$
Dividends	30	12,168
Rent	95,741	91,035
Net fair value gain on financial assets	-	153,567
Gain on disposal of property, plant and equipment	4,878	18,062
Government stimulus package received	-	818,347
Other revenue	111,951	105,626
	212,600	1,198,805

6. Finance income

	2022	2021
	\$	\$
Interest income	48,681	4,001



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

7. Income tax

The major components of income tax benefit for the years ended 31 December 2022 and 2021 are:

	2022	2021
	\$	\$
Current income tax charge:		
Current income tax on taxable income	272,166	-
Adjustments in respect of current income tax of previous year	(6,779)	-
Deferred tax:		
Relating to the origination and reversal of temporary differences	(86,613)	(43,125)
Income tax expense/(benefit) reported in the statement of profit or loss	178,774	(43,125)

Reconciliation of tax expense and the accounting profit multiplied by Australia's domestic tax rate for 2022 and 2021:

	2022	2021
	\$	\$
Accounting profit before income tax	2,921,954	1,124,625
At Australia's statutory income tax rate of 25% (2021: 25%)	730,488	281,156
Non-temporary differences	5,274	(187,013)
Members only income	(716,281)	(521,644)
Members only expenses	665,580	242,275
Effect of mutuality	(513,526)	161,297
Recognition of previously unrecognised losses	-	(33,740)
Tax credits and offsets	15,389	293
Over/under adjustment from prior year	(6,779)	-
Change in tax rate	-	4,349
Other items (net)	(1,372)	9,908
Income tax expense/(benefit) reported in the statement of profit or loss	178,774	(43,125)

Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

7. Income tax (continued)

Deferred tax

Deferred tax relates to the following:

	Statement of financial position		Statement of profit or loss	
	2022	2021	2022	2021
	\$	\$	\$	\$
Accruals	18,851	19,934	1,083	(598)
Prepayments and other assets	(15,678)	(12,704)	2,975	12,704
Property, plant and equipment	90,301	62,355	(27,946)	(62,355)
Employee benefit liabilities	98,344	86,614	(11,730)	4,698
Investment portfolio - gains	-	(33,746)	(33,746)	33,746
Capital losses	-	33,746	33,746	(33,746)
Asset revaluation reserve - recognised through equity	(836,697)	(887,693)	(50,995)	-
Other	-	-	-	2,426
Deferred tax benefit			(86,613)	(43,125)
Net deferred tax liabilities	(644,881)	(731,494)		
Reflected in the statement of financial position as follows:				
Deferred tax assets	171,194	202,649		
Deferred tax liabilities	(762,075)	(934,143)		
Deferred tax liabilities, net	(644,881)	(731,494)		

The Club has not recognised deferred tax assets in respect of tax losses arising in Australia for offsetting against future taxable profits.

Franking credits

The Club has franking credits of \$nil available for use in the subsequent reporting periods.

8. Cash and cash equivalents

	2022	2021
	\$	\$
Cash at bank and on hand	5,615,863	2,964,385

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the above.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

9. Trade and other receivables

	2022	2021
	\$	\$
Trade receivables	178,379	731,051
Other receivables	10,189	32,357
GST receivable	142,221	-
	<u>330,789</u>	<u>763,408</u>

10. Inventories

	2022	2021
	\$	\$
Stock on hand	<u>259,001</u>	<u>212,118</u>

During 2022, \$3,201,069 was recognised as an expense for inventories carried at net realisable value (2021: \$1,976,944).

11. Prepayments and other assets

	2022	2021
	\$	\$
Current		
Prepayments	604,433	495,971
Security deposits	4,750	1,750
	<u>609,183</u>	<u>497,721</u>

12. Other financial assets

	2022	2021
	\$	\$
Shares in listed company - IAG	1,713	1,713
Marketable securities investments	-	2,900,184
	<u>1,713</u>	<u>2,901,897</u>



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

13. Property, plant and equipment

Cost

At 1 January 2022

Additions during the year

Disposals

At 31 December 2022

Accumulated depreciation

At 1 January 2022

Depreciation charge for the year

Disposals

At 31 December 2022

Net book value

At 31 December 2022

At 31 December 2021

Land	Building	Leasehold improvements (Doyle)	Leasehold improvements (Sporties)	Plant and equipment	Motor vehicles	Total
\$	\$	\$	\$	\$	\$	\$
12,150,000	14,006,716	23,298,135	1,974,051	20,417,411	440,543	72,286,856
-	25,394	-	-	1,630,770	-	1,656,164
-	-	-	-	(2,204,310)	-	(2,204,310)
12,150,000	14,032,110	23,298,135	1,974,051	19,843,871	440,543	71,738,710
-	851,038	10,277,135	467,729	15,577,039	213,854	27,386,795
-	1,219,085	543,198	54,974	1,244,700	67,977	3,129,934
-	-	-	-	(2,198,186)	-	(2,198,186)
-	2,070,123	10,820,333	522,703	14,623,553	281,831	28,318,543
12,150,000	11,961,987	12,477,802	1,451,348	5,220,318	158,712	43,420,167
12,150,000	13,155,678	13,021,000	1,506,322	4,840,372	226,689	44,900,061

Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

13. Property, plant and equipment (continued)

Valuation of land

The basis of the valuation of land is fair value. The Club's land was last revalued in December 2020 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The Directors do not believe that there has been a material movement in fair value since the revaluation date.

14. Capital work in progress

	2022	2021
	\$	\$
Non-current		
Capital work in progress	1,908,483	1,516,016
	2022	2021
	\$	\$
Opening balance	1,516,016	4,953,922
Additions during the year	392,467	1,812,619
Transfers to profit and loss	-	-
Transfers to property, plant and equipment	-	(5,250,525)
Closing balance	1,908,483	1,516,016

15. Intangible assets

	Poker machine entitlements	Goodwill	Other intangible assets	Total
	\$	\$	\$	\$
Cost				
At 1 January 2022	1,209,593	494,937	271,115	1,975,645
Additions	-	-	9,990	9,990
At 31 December 2022	1,209,593	494,937	281,105	1,985,635
Accumulated amortisation				
At 1 January 2022	217,431	-	224,655	442,086
Amortisation	-	-	18,895	18,897
At 31 December 2022	217,431	-	243,550	460,983
Net book value				
At 31 December 2022	992,162	494,937	37,555	1,524,652
Net book value				
At 31 December 2021	992,162	494,937	46,460	1,533,559



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

16. Trade and other payables

	2022	2021
	\$	\$
Current		
Trade payables	1,497,113	1,317,501
Accrued expenses	735,815	554,333
Income in advance	201,809	126,109
GST payable	-	184,449
Other payables	13,494	13,690
	2,448,231	2,196,082

Trade payables are non-interest bearing and are normally settled on 30-day terms.

17. Borrowings

	2022	2021
	\$	\$
Current		
Bank loans	1,200,000	1,200,000
Credit cards	437	39,109
Hire purchase	28,440	25,525
	1,228,877	1,264,634
Non-current		
Bank loans	400,000	5,300,000
Hire purchase	886	28,513
	400,886	5,328,513

The termination date of the bank loan with ANZ is 30 April 2024.

Assets pledged as security

The bank overdraft and loans are secured by first mortgages over the Club's land and buildings listed below.

- Interest rate on bank loan facility is charged at 1.20% on drawn amounts plus a line fee of 0.45% on the total facility limit
- All present and after acquired property of the Security Provider as described in the General Security Agreement.
- The property at 80-90 Pacific Highway, Doyalson NSW being the land described in Certificate of Title Folio Identifiers 1/503655 and 11/240685.
- The property at 100-120 Pacific Highway, Doyalson NSW being the land described in Certificate of Title Folio Identifiers 49/707586, 7/240685 and 6/2/755266.
- The property at 49-65 Wentworth Avenue, Doyalson NSW being the land described in Certificate of Title Folio Identifiers 1/215875, 2/215875, 3/215875, 4/215875, 5/215875, 6/215875, 7/215875, 8/215875 and 9/215875.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

17. Borrowings (continued)

Credit and standby arrangement with banks

	2022	2021
	\$	\$
Standby arrangements and unused credit facilities		
ANZ tailored commercial facility	7,400,000	3,400,000
Asset finance facility	120,675	95,961
Electronic payaway facility	200,000	200,000
Commercial card facility	200,000	60,891
Standby letter of credit or guarantee facility	10,000	10,000
Commercial card facility (additional)	5,000	5,000
	<u>7,935,675</u>	<u>3,771,852</u>

18. Employee benefit liabilities

	2022	2021
	\$	\$
Current		
Annual leave	897,974	811,904
Long service leave	581,706	551,097
Rostered days off	9,043	2,532
	<u>1,488,723</u>	<u>1,365,533</u>
Non-current		
Long service leave	<u>169,638</u>	<u>142,486</u>

19. Reserves

	Asset revaluation reserve	Total
	\$	\$
At 1 January 2022	2,663,077	2,663,077
Land revaluation decrement	-	-
At 31 December 2022	<u>2,663,077</u>	<u>2,663,077</u>
At 31 December 2021	<u>2,663,077</u>	<u>2,663,077</u>

Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is used to record increases and decreases in the fair value of Land to the extent that they offset one another.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

20. Financial risk management

The Club's financial instruments consists mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, bills and leases.

21. Members' guarantee

The Club is limited by guarantee and as such there is no issued capital. The liability of each member is limited to a maximum of \$5 in accordance with the Club's Articles of Association. The number of members at the end of the financial year is 30,106 (2021: 31,328).

22. Related party disclosures

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. As at 31 December 2022, the Club recognised a provision for expected credit losses of \$nil relating to amounts owed by related parties (2021: \$nil).

During the year, and in the comparative period, the Club employed the relative of a key management personnel in the business. The transaction is conducted at terms equivalent to those between arms-length parties and the salary is not material to the financial statements.

Compensation of key management personnel of the Club

The total remuneration paid to key management personnel of the Club is \$1,285,788 (2021: \$1,091,109).

	2022	2021
	\$	\$
Directors' expenses		
The directors shared in the following benefits:		
Drinks or meals	6,174	8,641
Honoraria and travel	83,575	80,600
Board uniform	2,782	173
Phone and internet	1,233	1,324
Education and training	573	545
Meetings and others	1,020	155
	<u>95,357</u>	<u>91,438</u>



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

23. Core and non-core property

In accordance with provisions under section 41J(2) of the *Registered Clubs Act*, the directors have classified the following assets as core and non-core property of the Club:

Core property:

- 80-90 Pacific Highway
- Clubhouse
- Car park
- Sporties Clubhouse
- Sporties Tennis Courts
- Sporties car park

The core properties at Sporties are leased from Central Coast Shire Council.

Non-core property:

- 100 Pacific Highway, Doyalson
- 110 Pacific Highway, Doyalson
- 120 Pacific Highway, Doyalson
- 49-65 Wentworth Avenue, Doyalson

24. Auditor's remuneration

The auditor of Doyalson-Wyee R S L Club Ltd is Ernst & Young (Australia).

	2022	2021
	\$	\$
Fees to Ernst & Young (Australia)		
An audit of the financial report of the Company	64,792	60,840
For tax compliance services	7,500	12,600
Other services	5,720	4,680
	78,012	78,120

25. Commitments and contingencies

Lease payments not recognised as liability

The Club has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are exposed as incurred.



Notes to the financial statements (continued)

for the year ended 31 December 2022

For the year ended 31 December 2022

25. Commitments and contingencies (continued)

Contingent liabilities

The Club estimated the potential effect of contingent liabilities that may become payable as follows:

	2022	2021
	\$	\$
Mortality fund - members	2,100	2,300
TAB guarantee	10,000	10,000
	<u>12,100</u>	<u>12,300</u>

26. Events after the reporting period

There have been no significant events occurring after the reporting period which may affect either the Club's operations or results of those operations or the Club's state of affairs.



Directors' Declaration

In accordance with a resolution of the directors of Doyalson-Wyee R S L Club Ltd, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of Doyalson-Wyee R S L Club Ltd for the financial year ended 31 December 2022 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the entity's financial position as at 31 December 2022 and its performance for the year ended on that date; and
 - (ii) complying with *Australian Accounting Standards - Simplified Disclosures* and the *Corporations Regulations 2001*;
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

On behalf of the board

Mr Kevin Baldwin
Chairman
28 February 2023

Mr Max Le Guier
Director
28 February 2023

Independent Auditor's Report



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent Auditor's Report to the Members of Doyalson-Wyee RSL Club Limited

Opinion

We have audited the financial report of Doyalson-Wyee RSL Club Limited (the "Club"), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, 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 Club is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the Club's financial position as at 31 December 2022 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards - Simplified Disclosures 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 Club 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 of the Doyalson-Wyee RSL Club Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

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.



Responsibilities of the Directors for the Financial Report

The directors of the Club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures 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 Club's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Club 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 judgment 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 Club'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 Club'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 Club 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.

Independent Auditor's Report



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.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Daniel Cunningham' in a cursive style.

Daniel Cunningham
Partner
Sydney
28 February 2023



Notes



Notes

