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# The Wonthaggi Club ANNUAL REPORT



# The Wonthaggi Club – President's Report 2024

Another year has passed and unfortunately, we have had a trading loss of \$117,043. Mr Scott will give more details in the treasurer's report.

We welcome new duty managers Ryan, Franko, and Matt into their positions, as well as a number of new staff to whom have joined our evolving team of dedicated staff.

Our proposed merger with the Wonthaggi Golf Club is still progressing well. A dedicated subcommittee made up of directors from both clubs continue to work towards making this happen sooner rather than later.

The Club continues our relationship with the Mercury Group who will continue to help us with our gaming, marketing, and promotions. In September Steve, Liam, Ryan, and myself along with members of the Mercury group and other clubs attended the Gaming and hospitality expo in Sydney to look at many new innovations in both gaming and hospitality as well as visits to some large Sydney clubs. A very interesting and rewarding tour. Hopefully we can implement some of these new ideas into our club.

Socially active again the Club continues to provide activities to our members, once again Christmas lunch was a huge success with members and their families enjoying some great food. The 100 Club gala night was held at the Clubhouse and a great evening was had with lots of laughter, activities and some taking home a slice of the profits. Lots of band nights were held across both venues and the six-ounce lunches continue to be enjoyed by all who attend.

This year The Club has still made cash donations and in-kind donations totalling \$55,620 In addition, donated use of the bus, the marquee, and our participation in and coordination of community events. Major donations went to Wonthaggi Power Football & Netball Club, The Wonthaggi Club Cricket Club, Kilcunda Bass Football Netball Club, Wonthaggi Bowls Club, Loch Bowls Club, Wonthaggi Rotary, Wonthaggi Citizens Band, Wonthaggi Pony Club, and the Bass Coast Breakers women's football team. Plus, other money that has been distributed through our Wonfund.

Membership has remained steady with 4,235 members including 696 effective members.

Sadly, we said farewell to effective members Joan Hitchmough, Janice Turton, Dot Hedley, Don Matheson, Malcolm Scott, Walter Barber, Sandra Fowler, Louise Kiely, Revelin Phillips, Raymond Deveraux, Raymond Ware, George Bird, and Don Thomson.

These members will be missed and our condolences go to their loved ones.

I would like to take this opportunity to thank our board of directors, thank you for your time and commitment to our Club. Thank you to Steve, Bree, Rob, Mel, Liam, Anthea, and Tim with a special thank you to Lara for taking the Board minutes and helping me with day-to-day tasks, and the rest of our great staff for your dedication and effort during the past 12 months.

Now for the hard part.

After 30 years on the Board, 4 as Vice President and 14 as President I have decided to retire from the Board of the Club.

In this time, I have had the pleasure of working with some wonderful and dedicated members who have given up their time to guide the Club to where it is today.

I have seen many changes nearly all for the better in my time on the board, including several renovations, women being admitted as members, the changes in gaming regulations and getting closer to forming the Wonthaggi Country Club.

In my 14 years as President, I have had the honour of working with Steve Curtis. My job has been made easy because of Steves managerial skills and dedication to our club, a huge thank you Steve.

I will continue to take a huge interest in our Club and I hope you will all offer the same support to Jason as you have to me.

Thank you one and all.

**Alan Bolding**

President – The Wonthaggi Club

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# The Wonthaggi Club - Treasurer's Report 2024

On behalf of the Wonthaggi Club, I present the financial report for the year ended 30<sup>th</sup> June 2024, with the full audited report attached.

The year was another difficult year in the Hospitality Industry, with the 'cost of living crisis' being felt by many people, which has had a significant affect on our bottom line.

The year has seen us present a loss of \$117,043. There have been many factors that have contributed to these figures, with the main reason being a write down in value of our Investment Properties to the sum of \$165,405.

With the purchase of these Investment Properties, also comes increased borrowing costs and with Interest Rates increasing in the first half of the year, along with our Government Loan for our entitlements, these costs also increased by \$125,952 on the previous year.

The additional cost of Staff during the year where we were running with dual Venue Managers for 6 months of the year also was a major factor to the tune of \$66,491.

We pride ourselves in giving as much back to our member's as possible by way of promotions, cash draws, discounts to food and drinks and this also saw an increase in our Advertising & Promotional expenses of \$27,493 on the previous year.

Our Board has worked tirelessly with the Wonthaggi Golf Club in progressing Merger and Amalgamation discussions, and the cost to us this far has been approximately \$89,000-, however we see this as an important spend to see these discussions through to reality.

However, it is not all doom and gloom. We have seen some excellent results in other areas as well.

- Our Cash at Bank has increased by \$196,802 on previous year
- Our Overall revenue increased by \$528,941
- Our Bistro & Bar Revenue were up a combined total of \$551,543

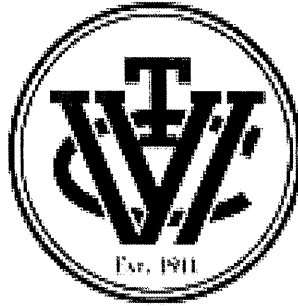
These figures are testament that we are doing something right and with some future fine tuning of our expenses, we are hoping to see a much more profitable scenario this time next year. Steve has again worked tirelessly in an ever-demanding environment and together we are excited what the future holds. I would like to personally thank Steve for all his help throughout the year, ably assisted by our Admin Staff of Bree, Trudy & Lara who do so much work behind the scenes, making our director roles much easier.

We appreciate your patronage throughout the year and look forward to your ongoing support as we enter some exciting times ahead.

On a personal note, I would like to congratulate, and thank our current President, Alan Bolding. Alan has been on our Board for over 30 years, serving as our President for the last 14 years. His passion and love for the Wonthaggi Club is testament to his character, and he has been a great support to myself over my time on the Board. We wish him well in his new endeavours, as he and Robyn now look forward to the next journey in their lives, without having to worry about monthly Board Meetings.

**Michael Scott**

Treasurer – The Wonthaggi Club



**The Wonthaggi Club**

**Financial Report  
For The Year Ended 30 June 2024**

# The Wonthaggi Club

## Directors' Report

### For The Year Ended 30 June 2024

Your directors present their report on the company for the financial year ended 30 June 2024.

#### Directors

Alan Bolding	President	
Aldo Sartori	Vice President	Retired 8 September 2023
Michael Scott	Treasurer	
Jason Sartori	Director	
Stephen Scimonello	Director	
Matthew Donohue	Director	Retired 8 September 2023
John Duscher	Director	
Peter Vick	Director	
Trevor Teer	Director	
Les Brewer	Director	
Sue Bird	Director	Appointed 8 September 2023
Peter Bowler	Director	Appointed 8 September 2023

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

#### Principal Activities

The principal activity of the company during the financial year was the operation of a registered club for the provision of entertainment, social engagement and community support for its members, the township of Wonthaggi and surrounds. No significant changes in the nature of these activities occurred during the year.

The company's short term objectives are to provide:

- Discounted entertainment and hospitality products and services to members
- Entertainment and hospitality products and services to the community
- Distributions to the community at regular intervals
- Turnover, cash flows and profit to meet the financial objectives of the company

The company's long term objectives are to provide improved facilities for members and the community

To achieve these objectives, the company has adopted the following strategies:

- Take a customer centric approach to the product mix, asking members what they want, and delivering the goods
- To extend an open invitation to the greater community and actively encourage tourists and non-members to participate
- To employ key staff that will operate the company in the interests of the company's short and long term goals
- To maximise growth in all revenue streams in order to put the company in a financial position, whereby it can expand
- To establish long term relationships with the community in order for community support donations to be sustainable

**The Wonthaggi Club  
Directors' Report  
For The Year Ended 30 June 2024**

**Directors' Meetings**

The number of meetings of Directors held during the year and the number of meetings attended by each Director, is as follows:

	<b>Eligible to Attend</b>	<b>Attended</b>
Alan Bolding	11	10
Aldo Sartori	2	1
Michael Scott	11	9
Jason Sartori	11	10
Stephen Scimonello	11	8
Matthew Donohue	2	2
John Duscher	11	9
Peter Vick	11	10
Trevor Teer	11	8
Les Brewer	11	8
Sue Bird	9	6
Peter Bowler	9	7

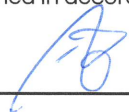
**Contribution in Winding Up**

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2024 the total amount that members of the company are liable to contribute if the company wound up is \$6,960 (2023: \$7,370).

**Auditors Independence Declaration**

A copy of the auditors independence declaration as required by s307C of the *Corporations Act 2001* has been received by the Board.

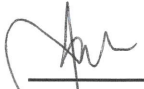
Signed in accordance with a resolution of the Board of Directors.



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Name: ALAN BOLDING

Position: PRESIDENT



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Name: JASON SARTORI

Position: DIRECTOR

Date: 3/9/2024

**The Wonthaggi Club**  
**Statement of Financial Position**  
**As at 30 June 2024**

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	644,055	447,253
Accounts receivable and other debtors	6	31,069	129,417
Inventories	7	84,988	92,480
Other assets	8	109,789	95,910
Financial assets	9	6,000	6,000
<b>TOTAL CURRENT ASSETS</b>		<u>875,901</u>	<u>771,060</u>
<b>NON-CURRENT ASSETS</b>			
Financial assets	9	225,855	231,019
Property, plant and equipment	10	4,017,260	4,340,545
Intangible assets	11	2,763,467	3,076,246
Investment property	12	1,540,000	1,639,532
<b>TOTAL NON-CURRENT ASSETS</b>		<u>8,546,582</u>	<u>9,287,342</u>
<b>TOTAL ASSETS</b>		<u>9,422,483</u>	<u>10,058,402</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	13	724,812	975,891
Provisions	14	376,652	325,122
Borrowings	15	1,317,050	1,007,406
Lease liabilities	16	25,664	24,541
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,444,178</u>	<u>2,332,960</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	14	8,638	23,773
Borrowings	15	4,563,085	5,152,380
Lease liabilities	16	641,226	666,890
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>5,212,949</u>	<u>5,843,043</u>
<b>TOTAL LIABILITIES</b>		<u>7,657,127</u>	<u>8,176,003</u>
<b>NET ASSETS</b>		<u>1,765,356</u>	<u>1,882,399</u>
<b>EQUITY</b>			
Reserves		309,519	309,519
Retained surplus		1,455,837	1,572,880
<b>TOTAL EQUITY</b>		<u>1,765,356</u>	<u>1,882,399</u>

The accompanying notes form part of this financial report.



**The Wonthaggi Club**  
**Statement of Comprehensive Income**  
**For The Year Ended 30 June 2024**

	Note	2024 \$	2023 \$
Revenue	2	10,965,879	10,436,938
Cost of sales		(1,512,725)	(1,257,724)
Gaming expenses		(3,193,437)	(3,126,466)
Depreciation and amortisation expenses		(1,014,731)	(1,073,533)
Occupancy expenses		(657,208)	(615,889)
Employee benefits expense		(3,102,285)	(3,035,794)
Borrowing costs		(462,773)	(336,821)
Advertising and promotion expenses		(312,510)	(285,017)
Other expenses		(661,848)	(601,163)
Movement in the fair value of investment properties		(165,405)	-
<b>Surplus/ (deficit) before income tax</b>		<u>(117,043)</u>	<u>104,531</u>
Income tax benefit / (expense)	4	-	-
<b>Surplus/ (deficit) after income tax</b>		(117,043)	104,531
<b>Total comprehensive income</b>		<u><u>(117,043)</u></u>	<u><u>104,531</u></u>

The accompanying notes form part of this financial report.

The Wonthaggi Club  
Statement of Changes in Equity  
For The Year Ended 30 June 2024

	Note	General Reserve \$	Retained Surplus \$	Total \$
Balance at 1 July 2022		309,519	1,691,822	2,001,341
Surplus/ (deficit) for the year		-	104,531	104,531
<b>Previous reported balance at 30 June 2023</b>		<b>309,519</b>	<b>1,796,353</b>	<b>2,105,872</b>
Prior year adjustment	25	-	(223,473)	(223,473)
<b>Restated balance at 30 June 2023</b>		<b>309,519</b>	<b>1,572,880</b>	<b>1,882,399</b>
Balance at 1 July 2023		309,519	1,572,880	1,882,399
Surplus/ (deficit) for the year		-	(117,043)	(117,043)
<b>Balance at 30 June 2024</b>		<b>309,519</b>	<b>1,455,837</b>	<b>1,765,356</b>

The accompanying notes form part of this financial report.

**The Wonthaggi Club**  
**Statement of Cash Flows**  
**For The Year Ended 30 June 2024**

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from operations		12,156,225	11,509,155
Payments to suppliers and employees		(10,766,195)	(9,829,198)
Interest received		13,113	12,874
Interest paid		(381,674)	(329,911)
Net cash provided by/ (used in) operating activities	18	1,021,469	1,362,920
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		(392,228)	(325,065)
Payment for investment property		(65,873)	(1,639,532)
Loan advanced		-	(53,000)
Receipt from loans		5,164	6,000
Net cash from/(used in) investing activities		(452,937)	(2,011,597)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net proceeds from/ (repayment of) borrowings		(39,731)	586,343
Payments for gaming machine entitlements		(265,917)	(354,557)
Payment for right-of-use assets		(66,082)	(63,719)
Net cash from/ (used in) financing activities		(371,730)	168,067
Net increase/ (decrease) in cash held		196,802	(480,610)
Cash and cash equivalents at beginning of financial year		447,253	927,863
Cash and cash equivalents at end of financial year	18	644,055	447,253

The accompanying notes form part of this financial report.

# The Wonthaggi Club

## Notes to the Financial Statements

### For The Year Ended 30 June 2024

#### Note 1: Summary of Material Accounting Policies

These financial statements cover The Wonthaggi Club as an individual entity which is company limited by guarantee, incorporated and domiciled in Australia.

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

The financial statements, except for cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

#### (a) Income Tax

Only non-member income is assessable for income tax. Member income is excluded under the principle of mutuality.

#### (b) Property, Plant and Equipment

Property, plant and equipment is measured at cost or valuation less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of property, plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present. The recoverable amount is assessed as the depreciated replacement cost of an asset.

#### Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis over their useful lives from the time the asset is held ready for use.

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

Buildings	2.5%
Plant and equipment	7.5%-40%
Software	33%

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

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

**(c) Leases**

The entity assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A single recognition and measurement approach is applied for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

Right-of-use assets are recognised at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**(ii) Lease liabilities**

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

**(d) Financial Assets**

**Initial recognition and measurement**

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument.

Financial instruments are initially measured at fair value plus transaction costs. Fair value is the present value of future cash flows, taking into consideration prevailing borrowing rates. Financial assets relate to loans to the Wonthaggi Golf Club and The Mercury Group.

After initial recognition, these are measured at fair value using current borrowing rates. Discounting is omitted where the effect of discounting is immaterial.

**(e) Investment properties**

Investment properties principally comprise of freehold land and buildings held for long-term rental and capital appreciation that are not occupied by the entity. Investment properties are initially recognised at cost, including transaction costs, and are subsequently remeasured at fair value. Movements in fair value are recognised directly to profit or loss.

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

**(f) Working Capital Deficiency**

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the year ended 30 June 2024 the Club recorded a net deficit of \$117,043 (2023: net surplus \$104,531), cash inflows from operating activities of \$1,021,469 (2023: \$1,362,920), and has a working capital deficiency of \$1,568,277 (2023: \$1,561,900). The Club has the ability to drawdown a further \$130,000 of the loan facility at 30 June 2024.

The ability of the Club to continue as a going concern is dependent on the continued availability of sufficient financing facilities, in addition to generating operating profits and cash flows to meet loan and electronic gaming machine entitlement payments.

The Board acknowledges that these matters give rise to uncertainty that may be material and impact the entity's ability to continue as a going concern. At the date of this report and having considered the above factors, the directors are confident that the entity will be able to continue as a going concern. In the unlikely event that the above factors do not eventuate then the going concern basis may not be appropriate and as a result, the entity may have to realise assets and discharge its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Note 2: Revenue</b>		
Bistro revenue	1,935,232	1,669,314
Bar revenue	2,125,710	1,840,085
Gaming revenue	6,602,606	6,643,719
Other revenue	302,331	283,820
Total revenue	<u>10,965,879</u>	<u>10,436,938</u>

**Note 3: Surplus for the Year**

Surplus/ (deficit) for the year includes the following expenses:

Contribution to defined contribution superannuation funds	<u>284,700</u>	<u>268,906</u>
Auditors remuneration - auditing the financial report	<u>13,250</u>	<u>12,940</u>

**Note 4: Income Tax**

The prima facie income tax on surplus/ (deficit) from ordinary activities before income tax is reconciled to the income tax as follows:

Surplus/ (deficit) before income tax	(117,043)	104,531
Prima facie tax payable on surplus/ (deficit) before income tax at 25% (2023: 25%)	(29,261)	26,133
Timing difference between accounting and tax expenses	6,438	10,162
Non-taxable income arising from principle of mutuality	(7,116)	(45,034)
Carry forward tax losses not recognised	29,939	8,739
Income tax expense/ (benefit)	<u>-</u>	<u>-</u>

At 30 June 2024, the company has \$905,771 (tax effect of \$226,443 at 25%) of carry forward tax losses. This has not been recognised as a deferred tax asset given the recognition criteria has not been met.

**Note 5: Cash and Cash Equivalents**

Cash at bank and on hand	<u>644,055</u>	<u>447,253</u>
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**Note 6: Trade and Other Receivables**

CURRENT

Trade receivables	16,923	15,192
Other debtors	14,146	114,225
	<u>31,069</u>	<u>129,417</u>

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Note 7: Inventories</b>		
Bar stock	55,202	67,376
Kitchen stock	29,786	25,104
	<u>84,988</u>	<u>92,480</u>
<b>Note 8: Other Assets</b>		
Prepayments	109,789	95,910
<b>Note 9 : Financial assets</b>		
CURRENT		
Loan to Wonthaggi Golf Club (a)	6,000	6,000
NON-CURRENT		
Loan to Wonthaggi Golf Club (a)	25,855	31,019
Loan to The Mercury Group (b)	200,000	200,000
	<u>225,855</u>	<u>231,019</u>

(a) The loan to the Wonthaggi Golf club is unsecured and non-interest bearing. The loan is measured at the present value of the future loan repayments. The face value of the loan is \$299,800, with repayments of \$6,000 per annum.

(b) The loan to the Mercury Group is secured over the assets of the group and interest is charged at 5% per annum. The loan agreement expires on 30 April 2026.

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Note 10: Property, Plant and Equipment</b>		
Land at cost	300,000	300,000
Buildings at cost	6,595,073	6,595,073
Less accumulated depreciation	(3,760,563)	(3,350,898)
	<u>2,834,510</u>	<u>3,244,175</u>
Plant and equipment at cost	3,944,942	4,444,123
Less accumulated depreciation	(3,062,192)	(3,647,753)
	<u>882,750</u>	<u>796,370</u>
Total property, plant and equipment	<u>4,017,260</u>	<u>4,340,545</u>



**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

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

	Land	Buildings	Plant & Equip	Total
	\$	\$	\$	\$
Balance at the beginning of the year	300,000	3,244,175	796,370	4,340,545
Additions	-	-	392,228	392,228
Depreciation expense	-	(409,665)	(305,848)	(715,513)
	<u>300,000</u>	<u>2,834,510</u>	<u>882,750</u>	<u>4,017,260</u>

	2024	2023
	\$	\$
<b>Note 11: Intangible Assets</b>		
2022 gaming machine entitlements	2,612,417	2,612,417
Less accumulated amortisation	(488,844)	(227,602)
Total gaming machine entitlements	<u>2,123,573</u>	<u>2,384,815</u>
Right of use assets - leased buildings		
Wonthaggi Golf Club clubhouse	613,023	626,584
Less accumulated amortisation	(43,787)	(21,894)
	<u>569,236</u>	<u>604,690</u>
McBride Avenue office	83,127	100,460
Less accumulated amortisation	(12,469)	(13,719)
	<u>70,658</u>	<u>86,741</u>
Total right-of-use assets	<u>639,894</u>	<u>691,431</u>
Total intangible assets	<u><u>2,763,467</u></u>	<u><u>3,076,246</u></u>

Movements in carrying amounts of each class of intangible between the beginning and the end of the current financial year:

	Gaming entitlements	ROU Assets	Total
Opening balance	2,384,815	691,431	3,076,246
Amortisation expense	(261,242)	(37,976)	(299,218)
Adjustment	-	(13,561)	(13,561)
Closing balance	<u>2,123,573</u>	<u>639,894</u>	<u>2,763,467</u>

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Note 12: Investment properties</b>		
Investment properties - at fair value	1,540,000	1,639,532
Balance at the beginning of the year	1,639,532	-
Additions	65,873	1,639,532
Fair value movement in investment property	(165,405)	-
Balance at the end of the year	1,540,000	1,639,532

Investment properties relate to two residential properties in Wonthaggi. The basis of valuation of investment properties is fair value. The investment properties have been valued based estimated sales price.

**Note 13: Trade and Other Payables**

CURRENT

Trade payables	296,187	455,804
Other payables	240,181	344,085
GST payable	166,421	165,506
Subscriptions received in advance	22,023	10,496
	<u>724,812</u>	<u>975,891</u>

**Note 14: Provisions**

CURRENT

Annual leave	228,859	210,846
Long service leave	147,793	114,276
	<u>376,652</u>	<u>325,122</u>

NON-CURRENT

Long service leave	8,638	23,773
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**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

	2024	2023
	\$	\$
<b>Note 15: Borrowings</b>		
CURRENT		
ANZ loans (a)	702,262	600,835
Insurance financing	107,800	-
Chattel mortgage (b)	147,650	52,014
Gaming entitlement liability	359,338	354,557
	<u>1,317,050</u>	<u>1,007,406</u>
NON-CURRENT		
ANZ loans (a)	2,917,986	3,319,667
Chattel mortgage (b)	117,119	60,032
Gaming entitlement liability	1,527,980	1,772,681
	<u>4,563,085</u>	<u>5,152,380</u>
<p>(a) The ANZ loans are secured over The Wonthaggi Club property and a fixed and floating charge over all assets of the club.</p> <p>(b) Secured over the assets financed.</p>		
<b>Note 16: Lease liabilities</b>		
CURRENT		
Relating to right of use assets	<u>25,664</u>	<u>24,541</u>
NON-CURRENT		
Relating to right of use assets	<u>641,226</u>	<u>666,890</u>
<p>Total future lease payments at the end of the reporting period:</p>		
Not later than 1 year	66,625	66,625
Between 1 to 5 years	254,033	270,658
Greater than 5 years	1,045,833	1,095,833
Less future finance charges	(699,601)	(741,685)
	<u>666,890</u>	<u>691,431</u>

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

	2024	2023
	\$	\$
<b>Note 17: Contributed Equity</b>		
Issued capital	-	-

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2024 the total amount that members of the company are liable to contribute if the company wound up is \$6,960 (2023: \$7,370).

**Note 18: Cash Flow Information**

**Cash in the statement of cash flows is reconciled to the statement of financial position**

Cash and cash equivalents	644,055	447,253
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**Reconciliation of cash flows from operating activities**

Surplus/ (deficit) after income tax	(117,043)	104,531
Depreciation	715,513	773,294
Amortisation of gaming machine entitlements	261,242	300,560
Amortisation of right-of-use assets	37,976	63,719
Finance cost of right-of-use assets	55,102	-
Deferred interest on gaming entitlements	25,997	-
Fair value movement on investment properties	165,405	-
Loss/ (profit) on sale of plant and equipment	-	135
Decrease/ (increase) in trade and other receivables	98,348	40,724
Decrease/ (increase) in inventories	7,492	(16,332)
Decrease/ (increase) in prepayments and other assets	(13,879)	(92,622)
Decrease/ (increase) in income tax receivable	-	-
Increase/ (decrease) in trade and other payables	(251,079)	128,309
Increase/ (decrease) in income in advance	-	(1,920)
Increase/ (decrease) in provisions	36,395	62,522
Net cash provided by/ (used in) operating activities	1,021,469	1,362,920

**Note 19: Contingent Assets and Contingent Liabilities**

There are no contingent assets or contingent liabilities.

**Note 20: Events After the Reporting Period**

There have been no events after the reporting period requiring disclosure.

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

**2024**                      **2023**  
**\$**                                      **\$**

**Note 21: Key Management Personnel Compensation**

Any person(s) having authority or responsibility for planning and controlling the activities of the company, directly or indirectly, including any committee member (whether executive or otherwise) of that entity is considered Key Management Personnel (KMP).

The totals of remuneration paid to key management personnel of the entity during the year are as follows:

Key management personnel compensation	352,445	231,981
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KMP compensation is higher in 2024 due to the back payment of multiple years of bonuses.

**Note 22: Other Related Party Transactions**

During the year, the club paid \$13,850 to PMB Building Services , a director related entity of Peter Bowler, relating to repairs and maintenance. All transactions were at arms length.

There are no other related party transactions requiring disclosure.

**Note 23: Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, loans receivable, accounts receivable and payable; and borrowings.

The carrying amounts for each category of financial instruments are as follows:

**Financial assets**

Cash and cash equivalents	644,055	447,253
Trade and other receivables	31,069	129,417
Loans receivable	231,855	237,019
Total financial assets	906,979	813,689

**Financial liabilities**

Financial liabilities at amortised cost:

Trade and other payables	724,812	975,891
Borrowings	5,880,135	6,159,786
Total financial liabilities	6,604,947	7,135,677

**Note 24: Entity Details**

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

The Wonthaggi Club  
16 McBride Avenue  
Wonthaggi Vic 3995

**The Wonthaggi Club**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2024**

**Note 25: Prior Year Adjustment**

The comparative balance sheet of the club, including retained surplus, has been restated as part of the application of accounting standards to discount the Wonthaggi Golf Club loan to present value; to present value long term right of use lease assets and liabilities; and appropriately reflect gaming jackpots in accordance with accounting standards. The net impact is to reduce the net assets and retained surplus by \$223,473 in 2023.

A third balance sheet has not been presented to disclose the prior year adjustments as they were considered not material to the comparative amounts in the balance sheet. The net changes are displayed in the following table:

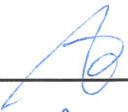
	<b>Previous Reported Balance</b>	<b>Adjustment</b>	<b>Restated Balance</b>
Loan to Wonthaggi Golf Club	305,800	(268,781)	37,019
Right of use assets - Wonthaggi Golf Club clubhouse	1,337,500	(732,810)	604,690
<b>TOTAL NON-CURRENT ASSETS</b>	<b>1,643,300</b>	<b>(1,001,591)</b>	<b>641,709</b>
<b>TOTAL ASSETS</b>	<b>1,643,300</b>	<b>(1,001,591)</b>	<b>641,709</b>
Other payables	389,393	(45,308)	344,085
Lease liabilities - relating to right of use assets	66,083	(41,542)	24,541
<b>TOTAL CURRENT LIABILITIES</b>	<b>455,476</b>	<b>(86,850)</b>	<b>368,626</b>
Lease liabilities - relating to right of use assets	1,358,158	(691,268)	666,890
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>1,358,158</b>	<b>(691,268)</b>	<b>666,890</b>
<b>TOTAL LIABILITIES</b>	<b>1,813,634</b>	<b>(778,118)</b>	<b>1,035,516</b>
<b>NET ASSET IMPACT</b>	<b>(170,334)</b>	<b>(223,473)</b>	<b>(393,807)</b>
Retained surplus	1,796,353	(223,473)	1,572,880
<b>TOTAL EQUITY</b>	<b>1,796,353</b>	<b>(223,473)</b>	<b>1,572,880</b>

**The Wonthaggi Club  
Directors' Declaration  
For The Year Ended 30 June 2024**

The directors of the company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the financial position of the company as at 30 June 2024 and of its performance for the year then ended.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due and payable.

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

  
\_\_\_\_\_  
Name: ALAN BOLDINO

Position: PRESIDENT

\_\_\_\_\_  
Name:   
Position: JASON SARTORI / DIRECTOR

Date: 03/9/2024



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## INDEPENDENT AUDITOR'S REPORT

### To the Members of The Wonthaggi Club

#### Opinion

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We have audited the accompanying financial report of The Wonthaggi Club ("the Entity"), which comprises the statement of financial position as at 30 June 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and directors' declaration.

In our opinion, the financial report of The Wonthaggi Club is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for Opinion

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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 Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

#### Emphasis of Matter

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We draw attention to Note 1(f) in the financial report, which indicates that the Entity reported a working capital deficiency of \$1,568,277. As stated in Note 1(f), this condition, along with other matters set forth in Note 1(f), indicate a material uncertainty exists that may cast doubt on the Entity's ability to continue as a going concern and therefore may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The Entity has the ability to drawdown a further \$130,000 of its loan facility at 30 June 2024, which would improve the working capital deficiency. The ability of the Entity to continue as a going concern is dependent on the continued availability of sufficient financing facilities, in addition to generating operating profits and cash flows to meet loan and electronic gaming machine entitlement payments. Notwithstanding the working capital deficiency, the financial report has been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

#### Responsibilities of the Directors for the Financial Report

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The directors of the company are responsible for the preparation and fair presentation of the financial report 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 and fair presentation of a financial report that is free





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from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

**Justin Brook**  
Director  
Forefront Pty Ltd

**Place: Sale**  
**Date: 3 September 2024**