



THE
PAMBULA MERIMBULA GOLF CLUB
2022 – 2023 Annual Report

**PAMBULA-MERIMBULA GOLF CLUB LIMITED
ABN 48 001 038 357**

**NOTICE TO MEMBERS
ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting (AGM) of **PAMBULA-MERIMBULA GOLF CLUB LIMITED** (PMGC) will be held on **Sunday 12 November 2023** commencing at **11.30am** at The 28th Bar and Bistro at 173 Arthur Kaine Drive Pambula New South Wales.

The business of the AGM shall be as follows;

- (a) To confirm the Minutes of the previous AGM held 6 November 2022.
- (b) To receive and consider the Reports of the Board.
- (c) To receive and consider the Financial Report and the Independent Auditor's Report.
- (d) Members will be asked to consider and if thought fit pass the following Ordinary Resolutions recommended by the Board.

ORDINARY RESOLUTIONS:

"That pursuant to the Registered Clubs Act:

The Members hereby approve and agree to reasonable expenditure by the Club for the professional development and education of Directors until the next (2024) Annual General Meeting of the Club and being:

- (1) The reasonable cost of Directors attending seminars, lectures, trade displays and other similar events as may be determined by the Board from time to time;
- (2) The reasonable cost of Directors attending other Registered Clubs or similar types of business for the purpose of observing their facilities and methods of operation provided such attendances are approved by the Board as being necessary for the betterment of the Club;

The Members acknowledge that the benefits in (1) and (2) above are not available to Members generally but are only for those who are Directors of the Club.

OTHER BUSINESS AND ELECTIONS

- (f) To deal with any other business that the Meeting may approve of which due notice has been given.
- (g) To deal with any other business that the Meeting may approve of which due notice has not been given.
- (h) To receive the result of the Ballot for Officers and Members of the Board for the ensuing terms as follows:
 - (i) President
 - (ii) Vice President
 - (iii) Club Captain
 - (iv) One (1) ordinary Director
- (i) Consider destruction of Ballot papers.

BUSINESS WITH DUE NOTICE

The Board of Directors requests that any questions of a financial nature regarding the Balance Sheet and Accounts, be given "With Notice" by **4.00pm, Friday, 13 October 2023**, to enable accurate and detailed answers to be provided at the AGM. Requests should be emailed to info@pmgcgolf.com.au.

ELIGIBILITY TO VOTE:

Life Members, Full Members, Senior Members, Restricted Members, Recreational Members, Intermediate Members, Country Members, Playing Rights Members and Social Members ONLY are entitled to attend the AGM and vote for Officers and members of the Board and payment of certain expenses to Directors and Members not generally available to all Members. Junior Members are entitled to attend the AGM but not vote. Cadet Members and Staff Members are not eligible to attend or vote. Ordinary Resolutions require a 50% majority to be passed.

Social Members, Restricted Members and Recreational Members are not entitled to vote on Special Resolutions. Special Resolutions require a 75% majority of those Members eligible to vote on such resolutions, to be passed. The details covering these issues are set out in Article 11 of the Constitution.

BALLOT

The Ballot for the Board of Directors (if required) will be conducted in The 28th **commencing 12.00pm Tuesday 24 October 2023 and closing 2.00pm Friday 3 November 2023**. The returning officer and scrutineers will count the ballot papers on Friday 3 November 2023.

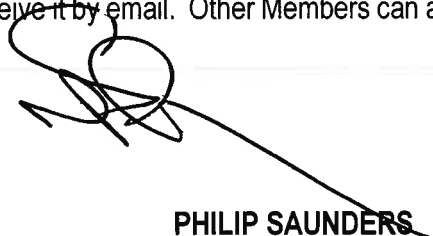
ANNUAL GENERAL MEETING

The Annual General Meeting will commence at **11.30am Sunday 12 November 2023** in The 28th, 173 Arthur Kaine Drive Pambula.

ANNUAL REPORT

The Annual Report will be sent to Members who have elected to receive it by email. Other Members can access the Annual Report by requesting a copy from the Office.

Dated this day
29 September 2023



PHILIP SAUNDERS
Company Secretary

CHAIR'S REPORT

On behalf of the Board of Directors, I present the Club's Annual Report and Financial Statements for the year ended 30 June 2023.

The Club has coped well with a challenging year while emerging from the constraints of COVID and coping with some testing operating circumstances. With travel available again within Australia and overseas the result was reduced patronage and a decline in revenue. With the main clubhouse facility closed, and subsequently kept on a care and maintenance basis, the relocation of Club services to The 28th Bar/Coffee Bar and an adjacent alfresco area, resulted in indoor and outdoor spaces being provided for golfers and visitors alike to enjoy a hot or cold drink and have a snack. Furthermore, the pro shop and administration facilities were moved into two new, de-mountable buildings located near the alfresco area. This transfer was accomplished smoothly and efficiently and has provided functional and comfortable interim accommodation while work is underway on the long-term goals for the Club.

Achieving progress on these goals has been slower than expected due to unexpected obstacles and delays. The first goal was the closure of the main clubhouse, and the second was submission of a planning proposal to seek change to the Local Environment Plan (LEP) to allow use and development of the clubhouse site for tourist and visitor accommodation (which was previously prohibited in the LEP). The Club's Planning Committee worked hard over several months (especially Prof Roz Hansen and Jeanette Hall) to prepare a comprehensive planning proposal which was submitted to the Bega Valley Shire Council (BVSC) and the NSW Department of Planning in August 2022. The proposal was approved with amendment of the LEP to permit tourist and visitor accommodation on the site with development consent, and notified to PMGC in February 2023. The Club then had to get a native title claim over Lot 374/750227 (clubhouse site) rescinded, which was successfully accomplished in April 2023. Crown Land NSW then re-started the finalization process for PMGC's application (submitted on 6 March 2018) to convert the perpetual lease for Lot 374/750227 (clubhouse site) to purchase of the freehold – a process that was expected to take between two to three months. Unfortunately, the Crown Land assessment process suffered several unexpected additional delays, and it may take until the end of 2023 before any offer (or otherwise) is made to PMGC to purchase the freehold for Lot 374/750227.

Assuming the Club's priority application is approved, then the Board can prepare for the release of Expressions of Interest for the redevelopment of the clubhouse site.

Our membership base continues to age. It is nevertheless interesting that some younger residents, who tend to work from home, have moved into the Bega Valley and joined the Club. Efforts continue to attract new members through clinics for juniors and adults as well as membership deals. The "Playing Rights" membership category has been renamed "Lifestyle Membership" and offers a new, additional golf package for members who wish to play a reduced number of rounds (10 x 18 or 20 x 9 holes). This package has proved to be a popular option for members. The Club has also begun to actively seek additional sponsors.

Efforts to draft a new constitution for the Club continue and restrictions imposed by the current constitution on membership are expected to be removed and in future covered by By-laws. Since amendments to the By-laws may be made without the need to hold a General Meeting, this will provide future Boards with the flexibility to offer new membership categories or develop existing categories to better accommodate members' requirements.

MiClub software has been introduced to manage the Club's membership database as well as golf competitions. Some issues remain, such as coping with competitions when PMGC's 27 holes are required and using Mi Tournament (such as during the Week of Golf) await further upgrade of the software. Until then scorecards may have to be used for some tournaments. Members have in general embraced MiScore and appreciate the benefits provided by the system. A new PMGC website was designed with the assistance of the MiClub design team and was commissioned on 16 August 2023.

Throughout this past financial year, an undisputed highlight has been the impressive high standard that Course Superintendent Pat Wilson and his team have ensured for all 27 holes on the course. Our sincere thanks go to all our ground staff for maintaining such a high standard during all weather conditions, and with their completion of several noteworthy projects around the course. Some of these include: the improved pathway between the 6th green and 7th tee; and with very welcome assistance from the Club's Gardening Group, the introduction of native gardens around the 17th tee and The 28th facilities; improved drainage on the 19th fairway; enhanced tree management around the course. and, significantly, ensuring the Club remains compliant within the myriad of environmental and Work Health & Safety regulations that Pat and his team operate within, day in and day out. Several additional projects are being planned for the 2023/24 financial year.

PMGC would not survive without the huge contribution our many volunteers make to a wide range of activities for both the Club and the course. Their support is invaluable and essential to our well-being and development during future years. To Michael Maxworthy and the many groups of volunteers thank you for your time and efforts to help provide an outstanding facility for our members and visitors. Lloyd Jenkins has retired as lead of the Bin Runners program for several years and has handed his responsibilities to Dennis Lenson. Thank you, Lloyd, for all you have contributed as a volunteer. My thanks too to Ian Macartney, Paul Welsford, Gerry Grant, and Geoff Graham who have made huge contributions to both improving the appearance and functionality of the course as well as helping to open-up vistas. We enjoy a superb course that is on a par with many metropolitan courses, and our efforts must continue to both maintain and improve the presentation and overall high quality of the course.

It would be remiss of me not to thank David Burgess, Kathy Rawson, and Ian Franks for their contributions to the Club. I also thank the Golf Services Committee (Robert Lightfoot, Peter Dowling, Glen Warne, Kim Helmers, Ian Ashton, Colin Gould, and Leonie Bell) for their efforts in efficiently managing golf competitions and tournaments to help generate revenue on the course. Special thanks to Colin Gould, Kristy Stokan, Robert Lightfoot, Glen Warne, and Michelle Ford for their contributions to the design and introduction of the Club's new website.

The 28th has progressed very well and with the professional support of our staff, offers a very good amenity to our members and visitors. I commend Kristy Stokan, Michelle Ford, Regina Douglas, and Emily Doxey for their contributions to the success of The 28th. Furthermore, Kristy and Michelle have made impressive contributions to the relocation of the new office space while continuing to cover their many normal duties as well as dealing with the introduction of and training on new software.

The Club's professional Glen Warne and his staff provided members and visitors their customary exceptional, cheerful service and support throughout the year. The team also moved the Shop into new accommodation and that occurred without a hitch in their levels of service.

Without a General Manager, the Directors had to cope with many additional duties and responsibilities throughout the year. I ask you to remember that the Board has just six members and has operated continually with a shortfall of three directors. The position of Club Captain has remained vacant which has resulted in our Men's and Women's Captains coping with additional duties. Our Board members are all volunteers and this year they have again provided the Club with both impressive assistance and several additional hours to help ensure the Club's viability. To my fellow Board members and the Club's dedicated staff, I am most grateful and thank them for their keen support and dedication to the Club. We are poised to have what may prove to be an interesting and demanding year ahead. I remain confident that we will be able to continue to operate successfully while working on our long-term goal continues.

On behalf of the Board, I offer our condolences to those members who have lost loved ones during the year.

Dated this day
29 September 2023


TONY FREEMAN
Chair

FINANCE REPORT

The year ended 30 June 2023 was a period of major consolidation for Pambula Merimbula Golf Club (the Club). After 3 years of disruption from bushfires and Covid 19, the Club has stabilised its finances and is now planning for the future with an improved sense of confidence.

The Club has seen a positive operating cashflow for the year of \$227,776. These funds were used to acquire the following assets to the value of \$193,594:

1. Lastec XR500 for \$32,900
2. Above ground fuel tanks for \$16,912
3. Fairway mower for \$76,900
4. Greens mower for \$21,900
5. Electrify shed for \$3,265
6. Administration and Golf systems for \$41,717
7. Capital Work in Progress item, being the web site \$6,270

Our old Toro mower was sold to Tathra Golf Club for \$6,000 during the year.

Assets purchased were related to Administration and Pro Shop buildings and Administration systems, all one-off items but very necessary as we moved to care and maintenance of the existing building. We also extended the electric cart parking by electrifying the petrol shed, started the web site redesign and integrated Senpos with Miclub to provide a seamless workflow for the office. The Club has ordered for delivery in November 2023 two new major items of course equipment, a further greens mower and a surrounds mower.

We will also receive replacements for the five older golf carts in October 2023 to be funded from the asset replacement reserve. Further, we will start repayment of the existing ten-year, Rural Disaster Loan, from this same reserve in February 2024. This loan, received after the 2019/20 bushfires, was used to purchase the replacement of 20 golf carts in 2021.

The Club now has two sources of cashflow, being golf and the 28th bar and food. To support our future cashflow the quality of our golf course is paramount and the ambience and quality of food in the 28th essential to maintain this cashflow. If we are to achieve our future strategic plans these are two critical success factors for the Board to monitor. Our budget is focussed on enhancing the members' golfing enjoyment and providing comparative value for money with our competitors. Small changes being introduced look to increase the flexibility for members and visitors. The Board continues to review these changes and are approachable for any suggested improvements. We are looking to maintain both the quality of golf and the course and to achieve sufficient growth to maintain services at a level expected by our members.

The 2022-23 financial year

The Board continued with the strategy set by our previous President and has left the clubhouse in care and maintenance until a clear direction is provided for the future of the Crownlands thereunder. The finances are structured to continue this strategy into the foreseeable future.

Trading for the FY23 resulted in an Operating Loss of (\$223,919) compared with a Loss of (\$103,403) for the FY22 year.

EBITDA COMPARATIVE FIGURES		
	2023	2022
Trading Loss	(223,919)	(103,403)
Add:		
Depreciation and Amortisation	430,644	379,564
Interest expense	22,600	23,597
Less:		
Interest earned	10,773	70
EBITDA	218,552	299,688

Earnings before interest, taxes, depreciation and amortisation was \$218,552. The Club's cash and cash equivalents on 30 June 2023 was \$955,102 compared to \$981,761 on 30 June 2022. Whilst this is down by \$26,659 on last year, it should be noted that \$193,594 of new assets were acquired during the year.

The current ratio, a measure of solvency, remains above the benchmark of 1 at 1.33.

Future Financial Strategy

The Club's submission for conversion of the perpetual lease of the Clubhouse Lot 374 to freehold has progressed past all necessary approvals and is pending a valuation from the State government, and then an offer from the Minister for Lands and Property, for eventual purchase. The value received will be based on March 2018 values when the initial request was submitted. It is the intention of the Board to progress to land purchase from existing funds.

The Land use submission for the Clubhouse site to Department of Planning and Environment and to the Bega Valley Shire Council was approved during the year and we can now submit land use applications for Accommodation, Environment and Tourism.

These two steps are necessary pre-requisites for any future Expressions of Interest (EOI) process where we will be requesting interested parties to offer options for the eventual development and future use of the Clubhouse site. Any options will be presented to members prior to proceeding with exchange of contracts.

Summary

The Club has stabilised its finances and the Board is looking forward to the future. This future strategy will be shared with the staff and membership once we have cleared the necessary government hurdles. We hope this will be in the near foreseeable future as we proceed along the next leg of our journey.

The support of staff and a hard-working Board has been invaluable to me and I would like to personally thank Mr David Burgess for a smooth transition of the finance role and processes and to Kristy Stoken and Michelle Ford, our administration staff, for their tireless assistance to the Club.

Dated this day
29 September 2023


PHILIP SAUNDERS
Honorary Treasurer

DIRECTORS' REPORT

1. Your directors present this Report on the Company for the financial year ended 30 June 2023.
2. **Directors:** The names of Directors in office at any time during or since the end of the year are:
Mr Tony Freeman (commenced 08/11/22) Mr Ian Franks (retired 07/11/22)
David Mitford-Burgess (retired 31/03/23) Mr Peter Dowling
Mr Peter Musgrave Mr Steve Dobbie
Mr Philip Saunders Mr Robert Lightfoot (commenced 30/12/22)
Directors have been in office from the start of the financial year to the date of this report unless otherwise stated.
3. **Principal Activities:** The principal activity of the Company during the financial year was the operation of a golf club. There were no significant changes in activities during the year.
4. **Likely Developments and Expected Results of Operations:** The objective is to deliver a high-quality golf course and golfing experience to members and visitors.
5. **Short term Objectives:** To secure the approval of the application lodged with Crown Land NSW on 6 March 2018 for the conversion of the perpetual lease for Lot 374/DP 750227 (Clubhouse Site) to freehold and purchase of the Lot, as well as engage the services of a licensed real estate practitioner to prepare an Expression of Interest for future redevelopment of the clubhouse itself. A further critical objective in the short-term is to continue to maintain a cash flow surplus.
6. **Long Term Objectives:** Subject to the success of the short-term objectives, a new Strategic Plan focusing on the golfing experience will be critical to the Club's long-term survival. This will need to ensure that the quality of the course is maintained, and that members and visitors are offered both services and amenities to a high standard.
7. **Strategies for Achieving Objectives:**
 - Continuous review of the financial results against the annual budget.
 - Critical evaluation and analysis of external factors, such as government policy, taxes and industry trends that could have an impact on the future trading environment for the Club.
 - Identification, evaluation, and development of revenue-generating opportunities.
 - Drive increased course revenue by retaining current members, attracting new members and green fee players through marketing on digital, print, and social media promoting membership offers and green fee specials.
 - Employ a qualified individual to manage the business going forward.
8. **Performance Measures:** Detailed profit/loss budgets are prepared on an annual basis and monthly profit/loss statements are prepared for comparison against budget and closely reviewed by the Board at each monthly meeting. These include a critical and objective review of all operating functions within the business including optimizing the number of times the course is used through both course attendance and cart usage. The cash flow movements will continue to be closely monitored.
9. **Review of Operations:** The main Clubhouse closed in September 2021. The Club has retained 20 gaming machine entitlements, and these may be offered to other, larger clubs for leasing for periods of between 3 to 5 years. Limited clubhouse facilities have been provided in the refurbished Garden Room, subsequently renamed The 28th. Two demountable buildings were installed near The 28th and alfresco area with the relocation of the Pro Shop and club administration completed in July 2022. The Company has been granted tax exemption under Division 50 of the Income Tax Assessment Act 1997. The

operating result for the year was a loss of \$223,919.

10. **Significant changes in state of affairs:** The following significant changes in the situation of the Company occurred during the financial year:
- The Planning Proposal for development for the purposes of tourist and visitor accommodation at 173 Arthur Kaine Drive, Pambula Merimbula Golf Club, to permit with development the additional use of Tourist & Visitor Accommodation on the clubhouse site and some adjacent land, was approved by the NSW government and BVSC on 3 February 2023.
 - PMGC has developed from a full-service club to a golf club providing an excellent golfing experience as well as limited facilities after golf in a smaller and more intimate clubhouse and alfresco area (The 28th). The business model adopted following the closure of the clubhouse in September 2021 has worked well.
 - The restrictions imposed due to COVID-19, and especially closed domestic and international borders, impacted operations throughout 2022. During late 2022 and the first half of 2023, domestic travel increased and visitor numbers to the region, combined with relatively benign weather, resulted in more green fee golfers on the course. With continued concerns regarding increased costs, inflation, and ongoing issues around hospitality workers, the year ahead may prove difficult.
11. **Likely and Expected Results of Operations:** With a return to a more stable and sustainable operation, the Club has been able to generate cash. The extensive work undertaken in 2022 on a thorough asset review, changes in budgeting processes plus the investment, upgrade & improvement of IT systems and software, has resulted in a better platform for growth. This should allow the Club to continue to generate cash.
12. **Subsequent Events After the Reporting Date:** Crown Land NSW continue to progress PMGC's application to purchase the freehold of Lot347/DP 750227 (Clubhouse Lot). Completion of the final report on the application is expected before the end of 2023.
13. **Information on Directors:** The particulars of the qualifications, experience and special responsibilities of each Director are as follows:

CURRENT OFFICE HOLDERS:

Tony Freeman

Qualifications

Club President, Board Chair

Graduate RAF College and RAAF Staff College

Experience

23 years RAF officer, pilot, staff officer, squadron commander. Operational flying exchange with USAF. Captain with international airlines. GM and Chief Pilot of Emirates, 12 years Partner in Australian aerospace consultancy. PMGC member since 2003. Vice President 2014 to 2019 and 2020 to 2022. President 2019 and since November 2022.

David Mitford-Burgess

Qualifications

Honorary Treasurer (until March 2023)

Graduate Diploma Business Administration with Distinction (UTS)

Experience

PMGC member since 2016. Army Engineer (10 years) – Captain. 35 years in service industries in Australia, England, Asia, and Middle East. 25 years as General Manager, CEO & Managing Director, Divisional CEO

Philip Saunders Qualifications	Honorary Treasurer (from April 2023) Graduate Diploma in Systems Design Masters of Business Administration Bachelor in Business (Accounting) Fellow Australian Society of Certified Practising Accountants
Experience	PMGC member since 2019 Director in private businesses in Management Consulting and Building over 26 years. Past Director roles at Pambula Merimbula Bank (Bendigo Bank), Werribee Park GC, Lions Club of Werribee, Member of Auditing Standards Board (AUSB) Work Experience covering Telecommunications, Banking, Energy, Mining, Building and Construction. Specialising in business transformation and restructuring and capital management.

DIRECTORS

Peter Dowling Qualifications	Director Cert Agriculture - Yanco Ag
Experience	Farm management 15 Years, Company Director, Motor engineer, Dealer Principal 30 years, PMGC Member since 2014.
Peter Musgrave Qualifications	Director Electrical trades Mechanic and Fitter Certificate, High Voltage and Investigation Training Certificate, Power Station Operations Certificate, Visual basic programming
Experience	57 years in the power industry including Electrical Apprenticeship, Substation Construction fitter and supervisor, HV testing and Investigation technician, (EC of NSW), Hydro power station Operator, Power station Engineer, IT Business Analyst, System Controller (Snowy Mountains Scheme). PMGC Member since 1995.
Steve Dobbie Qualifications	Director Bachelor of Commerce (Uni of Melb), Fellow of Australian Institute of Company Directors
Experience	Retired after 17 years as the Business Manager/Company Secretary of a national industry association. Prior to this role, two decades of senior management positions in several sectoral membership-based associations within a range of industries encompassing all areas of financial, governance, administration, and event management. PMGC Member since 1989.
Ian Franks Qualifications	Director (until November 2022) Aircraft Maintenance Engineering Trade
Experience	43 years in Technical and Middle Management role with Qantas and Jetstar. 2 years Board of Directors PMGC 2016 and 2017 including chair of the Marketing Committee and one year as Club Captain. PMGC Member since 1989.

Robert Lightfoot	Director (from December 2022)
Qualifications	Bachelor of Surveying (UNSW) Life Member of Institution of Surveyors NSW
Experience	Retired Registered Surveyor with 45 years of experience in the profession. Working life involved a wide variety of surveying endeavours from running a regional practice in Cooma to undertaking many varied cadastral and construction projects around metropolitan Sydney. PMGC member from 1979-1997 and 2019 to present.

Meetings: During the financial year, 13 meetings of Directors were held. Attendances were:

Board Meetings:

<i>Name</i>	<i>Eligible to attend</i>	<i>Attended</i>
Tony Freeman.....	13	13
David Mitford-Burgess.....	6	6
Philip Saunders.....	13	11
Ian Franks.....	6	6
Peter Dowling.....	13	11
Peter Musgrave.....	13	13
Steve Dobbie.....	13	13
Robert Lightfoot.....	11	11

2022/2023

CURRENT BOARD OF DIRECTORS

President

Tony Freeman

Vice President

Peter Musgrave

Club Captain

Vacant

Treasurer

Philip Saunders

Directors

Peter Dowling, Steve Dobbie & Robert Lightfoot

Auditor

Richard C Parbery

Honorary Solicitor

Mark Hagan

Kennedy & Cooke Lawyers, Merimbula

Life Members

John Carter, Noel McArdle, Peter McMullen, Jill Ricardo

Vale

The Board of Directors extend their sympathy to the families of the Members who passed away during the year.

Members Details and Guarantee The Company is Limited by Guarantee. If the Company is wound up, its Constitution states that each member is required to contribute a maximum of \$20.00 towards meeting any outstanding obligations of the Company.

As at 30 June 2023, the number of members was 1,177. (30 June 2022, 1,403).

Membership Profile The following table provides comparative membership profiles.


		30 June 2022	30 June 2023
Life	Male	3	3
	Female	0	1
Perpetual	Male	14	12
	Female	5	5
Full	Male	194	182
	Female	67	65
Lifestyle	Male	80	79
	Female	36	31
Senior	Male	50	48
	Female	31	27
Restricted	Male	1	1
	Female	1	1
Recreational	Male	3	3
	Female	1	1
Country	Male	148	124
	Female	47	46
Intermediate	Male	1	5
	Female	0	0
Junior	Male	39	53
	Female	17	9
Cadet	Male	3	1
	Female	1	0
Staff	Male	5	6
	Female	1	1
Subtotal.			
Golf Members		740	704 (-5%)
Social Members		663	473 (-29%)
Total Membership		1,403	1,177 (-16%)

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
PAMBULA-MERIMBULA GOLF CLUB LTD.**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

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

Dated this day
29 September 2023


RICHARD C. PARBERY F.C.P.A.
Registered Company Auditor (1864)
101 Main St MERIMBULA NSW 2548

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. the financial statements and notes, for the year ended 30 June 2023, are in accordance with the Corporations Act 2001
 - a. comply with Australian Accounting Standards – Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June, 2023, and of the performance for the year ended on that date.
2. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated this day
29 September 2023


TONY FREEMAN
Chair

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30th June, 2023

2021/22			2022/23
\$			\$
1,985,981	Revenue from ordinary activities	(note. 1f)	2,085,680
220,998	Gain on Sale of Assets		6,000
17,180	Poker Machine Tax & Rebate		0
			(122,747)
(102,613)	Cost of Sales		(807,875)
(727,911)	Employee Expenses		(430,644)
(379,564)	Depreciation and Amortisation		(0)
(87,442)	Asset Write Offs		(346,225)
(394,872)	Repairs & Maintenance		(3,345)
(5,615)	Printing, Postage & Stationery		(46,421)
(69,684)	Rent		(29,368)
(35,480)	Light & Power		(10,490)
(5,892)	Advertising & Promotion		(170,507)
(171,870)	Professional Fees		(22,600)
(23,597)	Finance Cost		(69,614)
(55,498)	Insurance		(23,626)
(27,543)	Council Rates		(37,315)
(37,371)	Affiliation Fees		(194,822)
(202,610)	Other Expenses		(223,919)
(103,403)	Loss before income tax		
0	Other Comprehensive Income		0
0	Income tax attributable to operating profit		0
(103,403)	Loss Attributable to Members of the Company		(223,919)

STATEMENT OF CHANGES IN EQUITY

For the year ended 30th June, 2023

2021/22			2022/23
\$			\$
3,200,170	Total equity at the beginning of the financial year		3,096,767
(103,403)	Loss for the Financial year		(223,919)
3,096,767	Total Equity at the end of the Financial year		2,872,848

STATEMENT OF FINANCIAL POSITION

As at 30th June, 2023

2021/22				2022/23
\$	Current Assets			\$
981,761	Cash Assets	(note. 3)	955,102	
17,885	Receivables	(note. 4)	12,570	
37,940	Inventories	(note. 5)	45,610	
69,205	Other current assets	(note. 6)	62,538	
1,106,791	Total Current Assets			1,075,820
	Non-current Assets			
2,913,659	Property, Plant and Equipment	(note. 7)	2,933,007	
257,805	Capital Work in Progress		6,270	
3,171,464	Total Non-Current Assets			2,939,277
4,278,255	Total Assets			4,015,097
	Current Liabilities			
114,951	Payables	(note. 8)	117,047	
170,071	Provisions	(note. 9)	185,225	
398,896	Other Current Liabilities	(note. 10)	414,480	
72,073	Borrowings	(note. 11)	89,184	
755,991	Total Current Liabilities			805,936
	Non-Current Liabilities			
425,497	Borrowings	(note.11)	336,313	
425,497	Total Non-Current Liabilities			336,313
1,181,488	Total Liabilities			1,142,249
3,096,767	Net Assets			2,872,848
	Members Equity:			
3,096,767	Retained Profits		2,872,848	
3,096,767	Total Members Equity			2,872,848

STATEMENT OF CASH FLOWS

For the year ended 30th June, 2023

2021/22		2022/23
\$		\$
	CASH FLOWS FROM OPERATING ACTIVITIES	
1,662,945	Receipts from customers	1,725,184
(1,916,816)	Payment to Suppliers & Employees	(1,875,940)
380,938	Members Subscriptions	338,761
71	Interest Received	10,773
3,600	Donations	28,998
<u>130,738</u>	Net cash generated by Operating Activities	(Note. 13) <u>227,776</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
275,176	Receipts from sale Property, Plant & Equipment	6,000
<u>(702,951)</u>	Payment for Property, Plant & Equipment	<u>(198,458)</u>
<u>(427,775)</u>	Net Cash used in Investing Activities	<u>(192,458)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES	
54,119	Proceeds from Hire Purchase	0
250,000	Proceeds from Loan	19,564
<u>(89,348)</u>	Repayment of Hire Purchase	<u>(81,541)</u>
<u>214,771</u>	Net Cash used in Borrowing Activities	<u>(61,977)</u>
(82,266)	Net decrease in cash held	(26,659)
<u>1,064,027</u>	Cash at Beginning of Financial Year	<u>981,761</u>
<u>981,761</u>	Cash at End of Financial Year	(Note. 3) <u>955,102</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE, 2023

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

The prior year financial report was prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. The transition from the previous financial reporting framework to Australian Accounting Standards – Simplified Disclosures has not affected the Clubs reported financial position, financial performance and cashflows.

The financial statements were authorised for issue on 29 September 2023 by the directors of the company.

Critical accounting estimated and judgements

Management is required to make judgments, estimates and assumptions about reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next period are disclosed where applicable, in the relevant notes to the financial statements:

Estimation of useful lives of non-current assets – The useful life of property, plant and equipment and lease assets, (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Accounting Policies:

- (a) **Property, Plant and Equipment:** Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Property: Freehold land and buildings are shown at cost less subsequent depreciation for buildings. It is the policy of the entity to have an independent valuation every three years by external independent valuers, with annual appraisals being made by the Directors (refer note 17).

Plant and Equipment: Plant and Equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present. Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation: The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Assets	Depreciation Rate
Buildings	2.5 - 4%
Leasehold Improvements	3.3%
Plant & Equipment	9 - 33%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(b) **Inventories:** Inventories are measured at the lower of cost and net realisable value.

(c) **Employee Provisions:**

Short Term Employee Provisions: Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Other Long-term Employee Provisions: Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re measurement of obligations for other long-term employee benefits are presented as non-current employee provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Provisions: Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and the outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(d) **Cash and Cash Equivalents:**

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

(e) Revenue Recognition

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

(f) Revenue from contracts with customers:

The core principles of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipts of funds and satisfaction of performance obligations.

Revenue and other income:

Specific Revenue Streams:

The revenue recognition policies for the principal revenue streams of the Company are:

Sales Revenue:

Sales revenue includes bar sales and greens income. All services and goods for these revenues are provided to customers at the time of sale and income is accounted for at that time. If the deposits are held for any of these revenue items a liability is booked until services or goods have been provided to the customer and then as income.

Membership Income:

Membership income is received in advance for the period of membership paid for. A liability booked for membership income received in advance with the income recognised in the membership period paid for.

Other Income:

Other income is recognised on an accrual basis when the Company is entitled to it.

Donations: Donations and bequests are recognised as revenue when received.

Revenue from Continuing Operations:

Revenue from contracts with customers

	2022/23	2021/22
	\$	\$
Bar Sales	187,818	159,401
Keno/TAB Commission	0	2,597
Poker Machines	0	418
Coffee Shop Sales	87,656	64,383
Course Income	1,406,632	1,293,880
Member Subscriptions	335,913	424,769
Off Course	0	15,000
Other Operating Income	28,890	89,924
	\$2,046,909	\$1,941,959

Revenue recognised on receipt: (not enforceable or no sufficiently specific performance obligations)

Donations	28,998	3,600
Government Grant & Subsidies	5,000	199,380
	33,998	43,952
	\$2,080,907	\$1,985,911
Finance Income		
Interest Income	10,773	70
Total Revenue	\$2,091,680	\$1,985,981

(g) Financial Instruments:

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expenses as incurred)

(h) Income Tax:

The Club is exempt from income tax under section 50-45 of the *Income Tax Assessment Act, 1997* (Cth).

(i) Comparative Figures:

Where required by accounting standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(j) Going Concern:

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and the realisation of asset and settlement of liabilities in the ordinary course of business.

In the event that the Club is unable to continue as a going concern, the Club may not be able to realise its asset and extinguish its liabilities in the normal course of business at the amounts stated in the financial statements.

The Club is in a positive net current asset position of \$269,884.

(k) Financial Instruments:

Initial recognition and measurement: Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified at fair value through profit or loss in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement: Financial instruments are subsequently measured at either, fair value, amortised cost using the effective interest rate method or cost.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;

- (ii) less principal repayments;
- (iii) plus, or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(l) Financial Liabilities:

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

(m) Goods and Services Tax (GST):

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the taxation authority, are presented as operating cash flows.

(n) Impairment of Assets:

At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statements.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(o) Trade Receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Trade receivables are due for settlement no more than 30 days from the date of recognition. Collectability of trade debtors is reviewed on an on-going basis. Debts which are known to be uncollectable are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the statement of comprehensive income.

When a trade receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(p) Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the Company prior the end of financial year, which remain unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(q) Retirement Benefit Obligations

Defined contribution superannuation benefits - All employees of the Company receive defined contribution superannuation entitlements, for which the Company pays the fixed superannuation guarantee contribution (currently 10% of the employee's average ordinary salary) to the employee's superannuation fund of choice.

All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Company's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Company's statement of financial position.

(r) Operating Lease Commitments:

Non-Cancellable Operating Leases Contracted for but not capitalised in the Financial Statement. Under the companies accounting policies all leased assets at or below \$10,000 qualify for the low value lease exemption.

PAYABLE – Minimum Lease Payments	2023	2022
- Not later than 12 months	2,505	13,199
- Between 12 months and 5 years	<u>0</u>	<u>5,011</u>
	2,505	18,210

(t) Company as lessee

The Company has leases over land. Information relating to the leases in place is provided below.

Land

The company leases land from the NSW Department of Industry and Bega Valley Shire Council.

Both leases will be in effect perpetual leases and as such have not been accounted for under AASB 16. Yearly rental payments will continue to be expenses as per AASB 17.

Note 2: RELATED PARTY TRANSACTIONS:

(a) Directors:

The names of persons who were directors of the company at any time during the year are:

Mr Tony Freeman	Mr David Mitford-Burgess	Mr Philip Saunders
Mr Ian Franks	Mr Peter Dowling	Mr Peter Musgrave
Mr Steve Dobbie	Mr Robert Lightfoot	

(b) Director Remuneration:

The directors did not receive any remuneration from the company during the year other than any approved honorarium and reimbursement of out of pocket expenses that have been fully substantiated.

(c) Transactions with directors and director related entities:

There were no transactions with directors, other than those at normal commercial terms and conditions.

Note 3: CASH ASSETS:

2021/22		2022/23
\$		\$
18,336	Commbiz Asset Replacement	84,656
363,172	Commbiz Transaction Account	351,030
598,553	Commbiz Online Saver	17,716
1,700	Change	1,700

Cash Investments:

0	Term Deposit	500,000
<u>981,761</u>		<u>955,102</u>

Reconciliation of Cash:

Cash at the end of the Financial year as shown in the Statement of Cash Flows is reconciled to items in the Statement of Financial Position, as follows:

<u>981,761</u>	Cash	<u>955,102</u>
Note 4: RECEIVABLES:		
<u>17,885</u>	Accounts Receivable	<u>12,570</u>
<u>17,885</u>		<u>12,570</u>
Note 5: INVENTORIES		
<u>37,940</u>	Stock (at cost)	<u>45,610</u>
<u>37,940</u>		<u>45,610</u>
Note 6: OTHER CURRENT ASSETS:		
<u>909</u>	Sundry Debtor	<u>0</u>
<u>68,296</u>	Prepayments	<u>62,538</u>
<u>69,205</u>		<u>62,538</u>
Note 7(a): PROPERTY, PLANT AND EQUIPMENT:		
<u>355,862</u>	Course - 27 Holes	<u>355,862</u>
<u>57,646</u>	Less: Provision for Amortisation	<u>81,628</u>
<u>298,216</u>		<u>274,234</u>
<u>1,193,952</u>	Irrigation Equipment	<u>1,193,952</u>
<u>238,303</u>	Less: Provision for Depreciation	<u>289,209</u>
<u>955,649</u>		<u>904,743</u>
<u>120,865</u>	Buildings - Course	<u>299,208</u>
<u>73,692</u>	Less: Provision for Depreciation	<u>122,148</u>
<u>47,173</u>		<u>177,060</u>
<u>1,231,647</u>	Clubhouse	<u>1,336,349</u>
<u>259,931</u>	Less: Provision for Depreciation	<u>395,480</u>
<u>10,368</u>	Freehold Land	<u>10,368</u>
<u>982,084</u>		<u>951,237</u>
<u>672,971</u>	Plant and Equipment - Course	<u>749,994</u>
<u>326,508</u>	Less: Provision for Depreciation	<u>357,946</u>
<u>346,463</u>		<u>392,048</u>

PAMBULA-MERIMBULA GOLF CLUB LIMITED
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30,400	Computer Equipment/Software	48,685
833	Less: Provision for Depreciation	14,506
29,567		34,179
275,000	Golf Carts	275,000
20,493	Less: Provision for Depreciation	75,494
254,507		199,506
2,913,659	TOTAL PROPERTY, PLANT AND EQUIPMENT	2,933,007

Note 7(b): PROPERTY, PLANT AND EQUIPMENT:

2022/23	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Total
Balance at beginning beginning of year	10,368	1,018,889	298,216	1,586,186	2,913,659
Additions	0	283,045	0	166,947	449,992
Disposals	0	0	0	0	0
Depreciation Expense	0	184,005	23,982	222,657	430,644
Carrying amount at end of year	10,368	1,117,929	274,234	1,530,476	2,933,007

2021/22	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Total
Balance at beginning beginning of year	10,368	1,140,369	350,299	1,493,574	2,994,610
Additions	0	79,004	0	366,142	445,146
Disposals	0	70,389	35,168	40,976	146,533
Depreciation Expense	0	130,095	16,915	232,554	379,564
Carrying amount at end of year	10,368	1,018,889	298,216	1,586,186	2,913,659

Note 8: TRADE & OTHER PAYABLES:

2021/22		2022/23
\$		\$
Current:		
104,951	Trade Creditors	107,047
10,000	Accrued Expenses	10,000
114,951		117,047

Note 9: EMPLOYEE PROVISIONS:

Current:	
84,634	Annual Leave Provision
85,437	Long Service Leave Provision
170,071	

PROVISION ANALYSIS:

171,956	Opening Balance	170,071
58,754	Additional Provision Raised During the Year	23,848
(60,639)	Amounts Used	(8,694)
170,071	Closing Balance	185,225

EMPLOYMENT PROVISION:

Employee Provisions represent amounts accrued for annual leave, and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements, and the amounts accrued for long service leave entitlements that have vested due to employee having completed the required period of service.

Based on past experiences, the Company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlements.

Note 10: OTHER CURRENT LIABILITIES:

2021/22		2022/23
\$		\$
355,639	Subscriptions in Advance	358,488
6,270	Other Creditor	1,731
24,655	Income in Advance	33,618
6,357	Members Cash Account	1,481
5,975	Members Prize Account	19,162
398,896		414,480

Note 11: BORROWINGS

Current:

12,398	Equipment Finance - Wilo Pump	13,095
11,442	Equipment Finance - Workman & Mower	11,122
8,814	Equipment Finance - Toro Greenmaster	9,265
10,202	Equipment Finance - Ventrac Tractor/Mower/Trailer	10,649
19,836	Equipment Finance - Toro Multipro Sprayer & Aerator	20,704
9,381	Equipment Finance - John Deere Mower	9,744
0	Rural Assistance Authority - NSW Government	14,605
72,073		89,184

Non Current:

16,482	Equipment Finance - Wilo Pump	3,387
11,122	Equipment Finance - Workman & Mower	0
16,513	Equipment Finance - Toro Greenmaster	7,248
36,343	Equipment Finance - Ventrac Tractor/Mower/Trailer	25,694
61,043	Equipment Finance - Toro Multipro Sprayer & Aerator	40,339
33,994	Equipment Finance - John Deere Mower	24,250
250,000	Rural Assistance Authority - NSW Government	235,395
425,497		336,313

Note 12: AUDITORS RENUMERATION:

Accounts due and receivable for audit services total \$10,000.

Note 13: RECONCILIATION OF CASH:

Reconciliation of Cash Flows from Operations with Profit from Ordinary Activities:

2021/22		2022/23
\$		\$
	Reconciliation of Cash Flow from Operations with Profit from Ordinary Activities after Income Tax	
(103,403)	Loss from Ordinary Activities after Income Tax	(223,919)
	Non-Cash Flows in Operating Profit	
29,008	Amortisation	23,982
350,556	Depreciation	406,662
87,442	Asset Write-Offs	0
(220,998)	Profit on Sale Assets	(6,000)
12,483	HP Interest & Charges	(10,095)
	Changes in Assets and Liabilities	
109,003	(Increase) Decrease in Debtors	6,224
(2,334)	(Increase) Decrease in Inventories	(7,670)
(17,448)	(Increase) Decrease in Prepayments	5,758
(54,399)	Increase (Decrease) in Creditors & Accruals	(1,697)
(5,301)	Increase (Decrease) in Subscriptions in Advance	2,849
(39,378)	Increase (Decrease) in Other Liabilities	11,901
(12,607)	Increase (Decrease) in Competition Fees in Advance	4,627
(1,886)	Increase (Decrease) in Provisions	15,154
130,738		227,776

Note 14: FINANCIAL RISK MANAGEMENT

2021/22			2022/23
\$	Financial Assets:	Notes:	\$
980,061	Cash at Bank	3	953,402
1,700	Cash on Hand	3	1,700
17,885	Receivables	4	12,570
999,646			967,672
	Financial Liabilities:		
114,951	Trade and Other Payables	8	117,047
114,951			117,047
884,695	Net Financial Assets:		850,625

Note 15: FAIR VALUE MEASUREMENTS

The Company has the following assets, as set out in the table below, that are measured at fair value on the recurring basis after the initial recognition. The Company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

	Note	2022/23	2021/22
Recurring Fair Value Measurements		\$	\$
Property, plant and equipment	7	1,530,476	1,586,186
Freehold land	7	10,368	10,368
Leasehold improvements	7	274,234	298,216
Freehold buildings	7	1,117,929	1,018,889
		<u>2,933,007</u>	<u>2,913,659</u>

Note 16: MEMBERS GUARANTEE:

The Company is Limited by Guarantee. If the Company is wound up, its Articles of Association state that each member is required to contribute a maximum of \$20.00 towards meeting any outstanding obligations of the company. As at 30 June 2023, the number of members was 1,177 (30 June 2022, 1,403).

Note 17: INDEPENDENT REVALUATION

An independent revaluation of land and buildings was undertaken on 23rd November 2021 by Walsh & Managhan. The revaluation, which was undertaken to comply with Accounting Standards as part of a policy to revalue land and buildings every three years, was based on the current market value of land and buildings. The value revealed a then current market value of \$ 5,500,000.00.

Note 18: KEY MANAGEMENT PERSONNEL

The Company is run by the Board of Directors. All major business decisions are made by the Board. The day to day business of the Company is run by the employees of the Company. As all major business decisions are made by the Board, no key management personnel disclosures are deemed appropriate.

Note 19: CAPITAL MANAGEMENT

Management controls the capital of the Company to ensure that adequate cash flows are generated to fund its operations and that returns from investments are maximised. Management ensure that the overall risk management strategy is in line with this objective. Management operates under policies approved by the Board of Directors. Informal risk management policies are discussed by the Board on a regular basis. These include credit risk and future cash flow requirements. The Company's capital consists of financial liabilities, supported by financial assets. Management effectively manages the Company's capital by assessing the Company's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels. There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

Note 20: COMPANY DETAILS

The Company name is:

Pambula - Merimbula Golf Club Ltd

ACN: 001 038 357 ABN: 48 001 038 357

An Unlisted Public Company limited by Guarantee

The Registered Office of the Company is:

Pambula-Merimbula Golf Club Ltd.

Arthur Kaine Drive

PAMBULA NSW 2549

CORE AND NON-CORE PROPERTIES

Pursuant to Section 41J (2) of the Registered Clubs Act for the financial year ended 2022.

(a) The following properties are core properties of the Club;

- DP41837 Lot 355
- DP41837 Lot 356
- DP750227 Lot 374
- DP1201186 Lot 102
- DP1047807 Lots 1 & 2
- DP729170 Lot 477
- DP821437 Lot 501

Notes to Members:

1. Section 41J (2) of the Registered Clubs Act requires the annual report to specify the core property and non-core property of the Club as at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupied by the Club that comprises:
 - a. the defined premises of the Club; or
 - b. any facility provided by the Club for use of its members and their guests; or
 - c. any other property declared by a resolution passed by a majority of the members present at a general meeting of Full members of the Club to be core property of the Club.
3. Non-core property is any other property other than that referred to above as core property and any property which is declared by the members at a general meeting of Full members of the Club not to be core property.
4. The significance of the distinction between core property and non-core property is that the Club cannot dispose of any core property unless:
 - a. the property has been valued by a registered valuer within the meaning of the Valuers Act 2003; and
 - b. the disposal has been approved at a general meeting of the Full members of the Club at which the majority of the votes cast support the approval; and
 - c. any sale is by way of public auction or open tender conducted by an independent real estate agent or auctioneer.
5. These disposal provisions are to some extent modified by regulations made under the Registered Clubs Act and by Section 41J itself.

EMPLOYEES RELATED TO DIRECTORS AND TOP EXECUTIVES

A close relative is defined in Section 41B of the Registered Clubs Act and includes immediate family. In the reporting period, the Club did not employ anyone who was a close relative of a Director or Top Executive of the Club.

INDEPENDENT AUDITOR'S REPORT

To the Members of the Pambula-Merimbula Golf Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Pambula Merimbula Golf Club Limited, which comprises the statement of financial position at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of Pambula Merimbula Golf Club Limited is in accordance with the *Corporations Act 2001*, including:

- I. giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- II. 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 company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional 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 Pambula Merimbula Golf 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. However our statutory audit does not cover all details of dissection of financial data.

Information Other than Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misleading. 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 Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of 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 the audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial report or, if such disclosure are inadequate, to modify our opinion. Our conclusion are based on the audit evidence obtained up to the date of our auditor's report. However, future event or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosure, and whether the financial report represents the underlying transaction and the events in a manner that achieves fair presentation.

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

Matters Relating to the Electronic Presentation of the Audit of Financial Report

The auditor's report relates to the financial report of the Pambula Merimbula Golf Club Ltd for the financial year ended 30 June, 2023 included on the company's website. The directors are responsible for the integrity of the company's website. We have not been engaged to report on the integrity of the company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may be hyperlinked to/from these statements. If users of this report are concerned with the inherent risk arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audit report presented on the website.

Dated this Day
29 September 2023


Richard C Parbery
Registered Company Auditor (1864)
101 Main St, MERIMBULA NSW 2548

CHARITY AND COMMUNITY DONATIONS/SUPPORT

The Club is a significant supporter of charitable, sporting, and non-profit organisations. The following list of recipients of Club assistance both cash and in kind is non-exclusive but demonstrates the Club's commitment in meeting its obligations to the community.

MND Charity (Motor Neurone Disease)

Pambula Merimbula Lions Club

Rotary Club of Pambula

Garvan Institute of Medical Research

SPAN - Suicide Prevention Action Newtork

McGrath Foundation

Country Women's Association - Pambula

Mitre 10 Pambula

Bega Valley Parkinsons Support Group

Social Justice Advocates of the Sapphire Coast



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