

# **The Pitt Town & District Sports Club Ltd**

**ABN 36 002 503 540**

**Annual Report - 30 June 2023**

# **The Pitt Town & District Sports Club Ltd**

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**30 June 2023**

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**The Pitt Town & District Sports Club Ltd**  
**Directors' report**  
**30 June 2023**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2023.

**Directors**

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

Jan Johnston - President  
Wayne Harris - Treasurer  
Bradley Cairns  
Brad Race  
Vaughan Profilio  
Melissa Crane (Appointed November 2022)  
Scott Sheridan (Appointed November 2022)  
Louise Maclure (Resigned November 2022)  
Adam Hall (Resigned November 2022)  
Brian Farrell (Resigned November 2022)

**Operating results**

The operating deficit of the company for the financial year after providing for income tax amounted to \$25,088 (2022: deficit of \$100,346).

**Objectives**

The company's objective is to provide excellence in service and amenities for all members and guests and to foster, encourage, promote and control the development of sports within the local community through the sustainable management of a Registered Club business.

**Short term objectives**

- To manage the Company's revenue to ensure the ongoing financial viability of the Company for the benefit of all members and community stakeholders;
- To maintain modern facilities, services and amenities for the benefit of the local community; and
- To ensure ongoing legislated compliance and best practice principles.

**Long term objectives**

- To continue the promotion and support of sporting clubs and other community groups in the local area;
- To continue to improve the range and quality of services to our members and guests; and
- To reduce borrowings as soon as financially responsible.

**Strategy for achieving the objectives**

- To provide regular entertainment, increase promotions, restructure of employee duties and work hours;
- The company measures of performance are based on financial and non-financial factors;
- The company measures and compares key financial performance indicators and expectations on a monthly basis to core business activities being gaming, beverage, community support and promotion;
- There is constant monitoring of cost control, debt levels, cash flows and capital expenditure;
- On a non-financial, to continually monitor satisfaction levels of facilities, entertainment, services and support to members and their guests; and
- To assist funding and provide facilities for sporting and community welfare groups where financially responsible.

**Principal activities**

The principal activity of the company is the conduct of a licensed social, sporting and recreation club at Pitt Town and surrounding district.

**Information on directors**

Name:	Jan Johnston
Title:	President for 5 years, Director for 7 years
Experience and expertise:	Office Manager for Optometrist
Special responsibilities:	Former Treasurer on Board of Major Mail Users of Australia working with Australia Post; Senior Manager at NRMA 1981 to 2004; Member of the Pitt Town & District Sports Club for 18 years.

## **The Pitt Town & District Sports Club Ltd**

### **Directors' report**

**30 June 2023**

Name: Wayne Harris  
Title: Director for 11 years  
Experience and expertise: Carpenter  
Special responsibilities: Member of Pitt Town & District Sports Club since 2001; Member of Pitt Town Golf Club for 18 years; Vice President for Pitt Town Bowling Club for the last 8 years; Lived in Pitt Town for 29 years.

Name: Bradley Cairns  
Title: Vice President 1 Year, Director for 3 Years  
Experience and expertise: Sales Manager Md Brick for 10 Years ,Sydney Operations and Sales Manager Namoi Valley Bricks 9 Years ,Self Employed Bricklayer for 10 Years.  
Special responsibilities: Strata Committee Chairman of Riverview Hill Cattai Estate for 4 Years, Senior Team Manager Penrith Brothers Rugby League Club 2 Years, Coach North West Magpies for 2 Years,Coach at Riverstone Rugby League Club for 6 Years.

Name: Brad Race  
Title: Director  
Experience and expertise: CEO, Board Member and Chair of Race Dental Group for over 26 years. Board Member Smilogy Dental Group 6 years. Board Member Core3dCentres International NV Amsterdam 12 Years. Board Member Woodstock Soldiers Memorial Trust 11 years. Chair ADIA specialist Industry committee 7 years. Board Member Logic Appeal Technology Group 8 years. Owner Manager Belubula Park Pastoral Company 16 Years. Co-Owner Royal Hotel Woodstock 15 years. Board member Just4dental technology Company 9 years. Pitt Town resident for over 22 years.

Name: Vaughan Profilio  
Title: Director  
Experience and expertise: Head Teacher Administration (Employee Services and Variation). Acting Deputy Principal Hawkesbury High School 2013-2014. AFC/FFA 'C' Senior/ Junior Licence. Assistant coach at National Premier League level (NPL Marconi Stallions- First Grade/Under 20's, Blacktown City FC- Under 18's). Current senior coach at Kenthurst and District Football Club. Day to day management of 120 + Staff (corporate governance of workplace compliance, leave entitlements, timesheets and temporary contracts, etc). Management staff/ student wellbeing systems, work health and safety compliance, facility and property management, professional development, NESA compliance and corporate governance. Development of training schedules of elite footballers, financial management including budgeting and player contracts, reporting to board on progression to set targets, understanding of sports administration at elite level. Pitt Town resident for 14 years, member of Pitt Town Sport Club for 11+years, member of Pitt Town Progress Association.

Name: Melissa Crane (Appointed November 2022)  
Title: Director  
Experience and expertise: Health, Safety & Environment Manager  
Special responsibilities: Committee member of the Pitt Town Football Club since 2013, Treasurer since 2019. Holds qualifications in Project Management, Training and Assessment and Workplace Health & Safety. Member of the Pitt Town Progress Association; Lived in Pitt Town for 22 years.

Name: Scott Sheridan (Appointed November 2022)  
Title: Director  
Experience and expertise: Business Owner  
Special responsibilities: Owned and Operated a few businesses in the local community for over 20 years and I am an active community member.

## The Pitt Town & District Sports Club Ltd

### Directors' report

30 June 2023

Name: Louise Maclure (Resigned November 2022)  
Title: Directors for 6 years  
Experience and expertise: Service Technician  
Special responsibilities: Member of the Pitt Town & District Sports Club since 2009; Play Netball for Pitt Town - Oakville Netball Club for the past 21 years; Vice President of Pitt Town - Oakville Netball Club for the past 11 years; Played soccer for Pitt Town Pirates for 8 years.

Name: Adam Hall (Resigned November 2022)  
Title: Director for 2 years  
Experience and expertise: Campaign manager  
Special responsibilities: With the North West Magpies Club for 13 months and was a blue shirt on field trainer/first aider; Currently the Chair of NSW Labor Health Policy Committee; Studied Industrial Relations at Uni Tech Sydney; Cert IV in Workplace Training and Assessment; Co-ordinator for the Pitt Town Neighborhood Watch Program; Member of the Pitt Town Progress Association.

Name: Brian Farrell (Resigned November 2022)  
Title: Director for 1 year  
Experience and expertise: Self Employed / Managing Director of Class power which was established in 2006.  
Special responsibilities: Member of the Pitt Town Sports Club since 2013. Prior employed as a Contracts Manager in the Construction Industry.

### Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Meetings Attended	Eligible Meetings
Jan Johnston	10	10
Wayne Harris	7	10
Bradley Cairns	9	10
Brad Race	9	10
Vaughan Profilio	9	10
Melissa Crane (Appointed November 2022)	7	7
Scott Sheridan (Appointed November 2022)	4	7
Louise Maclure (Resigned November 2022)	2	3
Adam Hall (Resigned November 2022)	2	3
Brian Farrell (Resigned November 2022)	3	3

### Events after the reporting period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Club, the results of those operations, or the state of affairs of the Club in future financial years.

### Environmental issues

The Directors believe the company has complied with all significant environmental regulations under a law of Commonwealth or of a state or territory.

### Indemnifying officer or auditor

During the year, the Company effected a Directors and Officer's liability policy. The insurance policy provides cover for the Directors named in this report, the company secretary, officers and former Directors and Officers of the Company.

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

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an auditor of the company.

**The Pitt Town & District Sports Club Ltd**  
**Directors' report**  
**30 June 2023**

**Contributions on winding up**


The company has ordinary members and life members. The total number of members of the company including life members is 2,588 (2022: 2,704). Should the company be wound up, the members of the company are liable to contribute no more than five dollars. The collective liability of members is \$12,940 (2022: \$13,520).

**Auditor's independence declaration**

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

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

On behalf of the directors

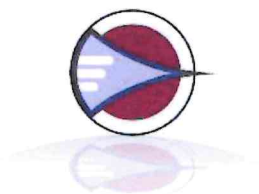
  
Jan Johnston  
President

11 October 2023

**HEAD OFFICE**  
Unit 1, 1 Pioneer Avenue  
Tuggerah NSW 2259

**OFFICES**

- Sydney CBD
- Drummoyne
- Erina



**BISHOP COLLINS  
AUDIT PTY LTD**

ABN: 98 159 109 305

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**INDEPENDENT AUDITOR'S DECLARATION  
TO THE MEMBERS OF  
THE PITT TOWN & DISTRICT SPORTS CLUB LIMITED**


We hereby declare that to the best of our 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.

**Name of Firm**

Bishop Collins Audit Pty Ltd  
Chartered Accountants

**Name of Registered Company Auditor**

  
Martin Le Marchant

**Auditor's Registration No.**

431227

**Address**

Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

**Dated**

11 October 2023



LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



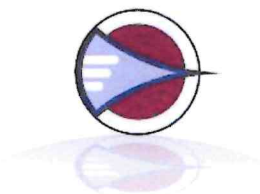
**Directors:** Martin Le Marchant CA,  
Johan Van Der Westhuizen CA

**Associate Directors:** Cecille Capucio CA

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
THE PITT TOWN & DISTRICT SPORTS CLUB LIMITED**

**Auditor's Opinion**

We have audited the accompanying financial report of The Pitt Town & District Sports Club Limited ('the Company') which comprises the statement of financial position as at 30 June 2023, statement of profit or loss and other comprehensive income and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

In our opinion, the financial report of The Pitt Town & District Sports Club Limited is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulation 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 Statements* section of our report. We are independent of the Company in accordance with 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; and we have fulfilled our other ethical responsibilities in accordance with the Code.

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

**Directors' Responsibility for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



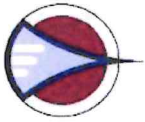
LIABILITY LIMITED BY A SCHEME APPROVED UNDER THE PROFESSIONAL STANDARDS LEGISLATION



**Directors:** Martin Le Marchant CA,  
Johan Van Der Westhuizen CA

**Associate Directors:** Cecille Capucio CA





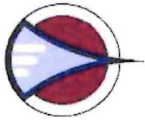
In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company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

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

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 in the preparation of the financial report. We also conclude, 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 disclosures in the financial report about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the financial report. 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 Company 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.




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.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Name of Firm**

Bishop Collins Audit Pty Ltd  
Chartered Accountants

**Name of Registered Company Auditor**

  
Martin Le Marchant

**Auditor's Registration No.**

431227

**Address**

Unit 1, 1 Pioneer Avenue, Tuggerah NSW 2259

**Dated**

11 October 2023

**The Pitt Town & District Sports Club Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Revenue</b>	4	1,992,906	1,414,834
Other income	5	55,000	55,908
Total revenue		<u>2,047,906</u>	<u>1,470,742</u>
<b>Expenses</b>			
Cost of sales		(391,607)	(250,131)
Gaming expenses		(18,458)	(9,831)
Employee benefits expense		(635,145)	(525,029)
Depreciation and amortisation expense	10	(230,887)	(247,198)
Keno expenses		(3,812)	(1,682)
TAB expenses		(21,371)	(10,416)
Utilities expenses		(108,823)	(84,032)
Auditors remuneration		(19,000)	(22,200)
Insurance expenses		(61,819)	(53,275)
Promotions expenses		(81,178)	(25,746)
Entertainment expenses		(74,263)	(30,894)
Cleaning expenses		(71,349)	(42,834)
Consultancy expenses		(28,850)	(16,015)
Repairs and maintenance expenses		(89,247)	(64,767)
Rates and taxes		(11,500)	(11,276)
Members expenses		(28,114)	(11,270)
Administration expenses		(53,609)	(33,997)
Motor vehicle expenses		(11,761)	(10,335)
Other expenses		(80,898)	(42,128)
Finance costs		(51,303)	(78,032)
Total expenses		<u>(2,072,994)</u>	<u>(1,571,088)</u>
<b>Deficit for the year</b>	17	(25,088)	(100,346)
Other comprehensive income for the year		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>(25,088)</u></u>	<u><u>(100,346)</u></u>

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

**The Pitt Town & District Sports Club Ltd**  
**Statement of financial position**  
**As at 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	428,458	419,211
Trade and other receivables	7	21,903	27,876
Inventories	8	21,330	23,872
Other	9	30,241	28,809
Total current assets		<u>501,932</u>	<u>499,768</u>
<b>Non-current assets</b>			
Property, plant and equipment	10	<u>3,615,746</u>	<u>3,713,664</u>
Total non-current assets		<u>3,615,746</u>	<u>3,713,664</u>
<b>Total assets</b>		<u>4,117,678</u>	<u>4,213,432</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	115,424	105,672
Borrowings	13	90,206	117,221
Employee benefits	14	40,503	15,195
Other liabilities	12	24,010	21,835
Total current liabilities		<u>270,143</u>	<u>259,923</u>
<b>Non-current liabilities</b>			
Borrowings	15	908,630	984,422
Employee benefits	16	9,945	15,039
Total non-current liabilities		<u>918,575</u>	<u>999,461</u>
<b>Total liabilities</b>		<u>1,188,718</u>	<u>1,259,384</u>
<b>Net assets</b>		<u>2,928,960</u>	<u>2,954,048</u>
<b>Equity</b>			
Retained surpluses	17	<u>2,928,960</u>	<u>2,954,048</u>
<b>Total equity</b>		<u>2,928,960</u>	<u>2,954,048</u>

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

**The Pitt Town & District Sports Club Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2023**

	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2021	3,054,394	3,054,394
Deficit for the year	(100,346)	(100,346)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(100,346)</u>	<u>(100,346)</u>
Balance at 30 June 2022	<u>2,954,048</u>	<u>2,954,048</u>
	<b>Retained surpluses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	2,954,048	2,954,048
Deficit for the year	(25,088)	(25,088)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>(25,088)</u>	<u>(25,088)</u>
Balance at 30 June 2023	<u>2,928,960</u>	<u>2,928,960</u>

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

**The Pitt Town & District Sports Club Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2023**

	<b>Note</b>	<b>2023</b> <b>\$</b>	<b>2022</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		2,206,617	1,491,590
Payments to suppliers (inclusive of GST)		<u>(1,953,605)</u>	<u>(1,381,153)</u>
		253,012	110,437
Finance costs		(51,303)	(78,032)
Government stimulus: COVID-19		<u>-</u>	<u>55,908</u>
Net cash from operating activities	23	<u>201,709</u>	<u>88,313</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	10	(144,655)	(22,457)
Proceeds from disposal of intangibles		<u>55,000</u>	<u>-</u>
Net cash used in investing activities		<u>(89,655)</u>	<u>(22,457)</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		59,148	954,687
Repayment of borrowings		<u>(161,955)</u>	<u>(1,021,578)</u>
Net cash used in financing activities		<u>(102,807)</u>	<u>(66,891)</u>
Net increase/(decrease) in cash and cash equivalents		9,247	(1,035)
Cash and cash equivalents at the beginning of the financial year		<u>419,211</u>	<u>420,246</u>
Cash and cash equivalents at the end of the financial year	6	<u><u>428,458</u></u>	<u><u>419,211</u></u>

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

**The Pitt Town & District Sports Club Ltd**  
**Notes to the financial statements**  
**30 June 2023**

**Note 1. General information**

The financial statements cover The Pitt Town & District Sports Club Ltd as an individual entity. The financial statements are presented in Australian dollars, which is The Pitt Town & District Sports Club Ltd's functional and presentation currency.

The Pitt Town & District Sports Club Ltd is an unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

**Registered office**

139 Old Pitt Town Rd, Pitt Town NSW 2756

**Principal place of business**

139 Old Pitt Town Rd, Pitt Town NSW 2756

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 11 October 2023. The directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

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

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

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

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

*Historical cost convention*

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

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Comparatives**

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

**Going concern**

The financial report has been prepared on a going concern basis.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Sale of goods*

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

**Note 2. Significant accounting policies (continued)**

*Poker machines revenue*

Poker machine revenue is stated net of payouts.

*Membership fees*

Membership revenue is recognised in the period the membership relates to.

*Interest*

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

*Other revenue*

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

**Income tax**

As the company is a tax exempt institution in terms of subsection 50-10 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Current and non-current classification**

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

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

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

**Cash and cash equivalents**

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

**Trade and other receivables**

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

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

**Inventories**

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

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

**Property, plant and equipment**

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



**Note 2. Significant accounting policies (continued)**

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. The depreciation rates used for each class of asset are:

Buildings and improvements	2.5%
Plant and equipment	2.5% - 40%
Gaming machines	20% - 25%
Motor vehicles	15%

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

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Capital work-in-progress**

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

Capital works in progress are transferred to property, plant and equipment and depreciated when completed and ready for use.

**Impairment of non-financial assets**

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

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

**Trade and other payables**

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

**Borrowings**

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

**Finance costs**

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

**Employee benefits**

*Short-term employee benefits*

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

**Note 2. Significant accounting policies (continued)**

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

**Fair value measurement**

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

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

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

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

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

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

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

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Estimation of useful lives of assets*

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Impairment of property, plant and equipment*

The company assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

*Employee benefits provision*

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**Note 4. Revenue**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Revenue from contracts with customers</i>		
Bar revenue	924,591	586,132
Gaming revenue	866,909	680,001
Government GST rebate	17,200	16,980
Members subscriptions	16,280	16,380
Events and promotions revenue	57,283	26,819
Keno commission	18,908	21,163
TAB commission	12,424	6,502
Commissions received	25,410	27,298
Sponsorships, advertising and donations	5,909	13,345
	<u>1,944,914</u>	<u>1,394,620</u>
Rent and outgoings recovered	18,627	7,100
Other revenue	29,365	13,114
	<u>47,992</u>	<u>20,214</u>
Revenue	<u><u>1,992,906</u></u>	<u><u>1,414,834</u></u>

**Note 5. Other income**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Sale of gaming machine entitlements	55,000	-
Government stimulus - cash boost	-	55,908
Other income	<u><u>55,000</u></u>	<u><u>55,908</u></u>

**Note 6. Current assets - cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Cash at bank and cash on hand	<u><u>428,458</u></u>	<u><u>419,211</u></u>

**The Pitt Town & District Sports Club Ltd**  
**Notes to the financial statements**  
**30 June 2023**

**Note 7. Current assets - trade and other receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	4,878	11,943
Other receivables	17,025	15,933
	<u>21,903</u>	<u>27,876</u>

**Note 8. Current assets - inventories**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Stock on hand	<u>21,330</u>	<u>23,872</u>

**Note 9. Current assets - other**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Prepayments	<u>30,241</u>	<u>28,809</u>

**Note 10. Non-current assets - property, plant and equipment**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Land - at cost	<u>368,868</u>	<u>368,868</u>
Buildings and improvements - at cost	5,253,218	5,253,218
Less: Accumulated depreciation	(2,268,340)	(2,150,018)
Less: Accumulated impairment	(146,159)	(146,159)
	<u>2,838,719</u>	<u>2,957,041</u>
Plant and equipment - at cost	853,426	766,981
Less: Accumulated depreciation	(630,612)	(588,996)
	<u>222,814</u>	<u>177,985</u>
Gaming machines - at cost	789,710	961,292
Less: Accumulated depreciation	(604,365)	(751,522)
	<u>185,345</u>	<u>209,770</u>
Motor vehicles - at cost	43,774	43,774
Less: Accumulated depreciation	(43,774)	(43,774)
	<u>-</u>	<u>-</u>
	<u>3,615,746</u>	<u>3,713,664</u>

**The Pitt Town & District Sports Club Ltd**  
**Notes to the financial statements**  
**30 June 2023**

**Note 10. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

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

	Land \$	Buildings and improvements \$	Plant and equipment \$	Gaming machines \$	Motor vehicles \$	Total \$
Balance at 1 July 2022	368,868	2,957,041	177,985	209,770	-	3,713,664
Additions	-	-	86,445	58,210	-	144,655
Disposals	-	-	-	(11,686)	-	(11,686)
Depreciation expense	-	(118,322)	(41,616)	(70,949)	-	(230,887)
Balance at 30 June 2023	<u>368,868</u>	<u>2,838,719</u>	<u>222,814</u>	<u>185,345</u>	<u>-</u>	<u>3,615,746</u>

**Core and Non-core Property**

The core property at the end of the financial year is 139 Old Pitt Town Road, Pitt Town NSW.

There is no non-core property.

**Note 11. Current liabilities - trade and other payables**

	<b>2023</b> \$	<b>2022</b> \$
Trade payables	17,885	36,122
Other payables	<u>97,539</u>	<u>69,550</u>
	<u>115,424</u>	<u>105,672</u>

**Note 12. Current liabilities - other liabilities**

	<b>2023</b> \$	<b>2022</b> \$
Security bond	2,000	2,000
Funds held in trust	-	2,550
Subscriptions in advance	<u>22,010</u>	<u>17,285</u>
	<u>24,010</u>	<u>21,835</u>

**Note 13. Current liabilities - borrowings**

	<b>2023</b> \$	<b>2022</b> \$
Insurance premium funding	23,635	21,851
Hire purchase liability	68,963	98,709
Less: unexpired charges	<u>(2,392)</u>	<u>(3,339)</u>
	<u>90,206</u>	<u>117,221</u>

**The Pitt Town & District Sports Club Ltd**  
**Notes to the financial statements**  
**30 June 2023**

**Note 14. Current liabilities - employee benefits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Annual leave	28,683	4,379
Long service leave	11,820	10,816
	<u>40,503</u>	<u>15,195</u>

**Note 15. Non-current liabilities - borrowings**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Secured Loan - Bank (expiry June 2037)*	903,536	900,000
Hire purchase liability	5,192	85,710
Less: unexpired charges	(98)	(1,288)
	<u>908,630</u>	<u>984,422</u>

\*The Club refinanced with ANZ in 2022, this loans is for a 15 year-term expiring in June 2037. The loan is interest only for the initial 5 years.

*Total secured liabilities*

The total secured liabilities (current and non-current) are as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Hire purchase liability	<u>74,155</u>	<u>184,419</u>

**Note 16. Non-current liabilities - employee benefits**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Long service leave	<u>9,945</u>	<u>15,039</u>

**Note 17. Equity - retained surpluses**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Retained surpluses at the beginning of the financial year	2,954,048	3,054,394
Deficit for the year	(25,088)	(100,346)
Retained surpluses at the end of the financial year	<u>2,928,960</u>	<u>2,954,048</u>

**Note 18. Key management personnel disclosures**

*Compensation*

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

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Aggregate compensation	<u>114,123</u>	<u>98,278</u>

**Note 19. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 18.

*Transactions with related parties*

The company had the loans during the financial year, unsecured and secured loans.

The unsecured loans are at call (PY). The interest rate charged of 8% per annum is a commercial market rate. It is the same rate charged by the non-related party.

Details are as below:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Reimbursement to Director Gary Roeder - paid on November 2021	-	3,100
Directors meetings refreshments	4,804	6,309
Payment for goods and services:		
Payment for interim services to Director - Jan Johnson in capacity as interim General Manager	-	14,350

Directors did not receive any remuneration. No director has entered into a material contract with the company during the financial year other than the loans outlined above.

*Receivable from and payable to related parties*

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Current receivables:		
Sponsorship receivable from Class Power related to Director - Brian Farrell	-	1,100

*Terms and conditions*

All transactions were made on normal commercial terms and conditions and at market rates unless otherwise stated.

**The Pitt Town & District Sports Club Ltd**  
**Notes to the financial statements**  
**30 June 2023**

**Note 20. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Bishop Collins Audit Pty Ltd, the auditor of the company, and its network firms:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<i>Fees to Bishop Collins Audit Pty Ltd</i>		
Assurance services	15,000	14,000
Preparation of financial statements	2,500	2,000
Other services	-	6,800
	2,500	8,800
	17,500	22,800
<i>Other services - network firms</i>		
Tax and financial records assistance	7,940	9,050

**Note 21. Members' Limited Liability**

The company has ordinary members and life members. The total number of members of the company including life members is 2,588 (2022: 2,704). Should the company be wound up, the members of the company are liable to contribute no more than five dollars. The collective liability of members is \$12,940 (2022: \$13,520).

**Note 22. Contingent liabilities**

The Club is currently re-establishing and negotiating its rights to access and use property owned by National Parks and Wildlife Services and its relationship to any future developments and construction. At the date of this report, the negotiation is ongoing and the directors are unable to reliably quantify any potential liability or impairment of assets in connection with this negotiation.

**Note 23. Reconciliation of deficit to net cash from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Deficit for the year	(25,088)	(100,346)
Adjustments for:		
Depreciation and amortisation	230,887	247,198
Write off of non-current assets	11,686	1,172
Net gain on disposal of intangibles	(55,000)	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	5,973	(424)
Decrease in inventories	2,542	3,172
Increase in other operating assets	(1,432)	(6,098)
Increase/(decrease) in trade and other payables	9,752	(66,349)
Increase in employee benefits	20,214	5,503
Increase in other operating liabilities	2,175	4,485
Net cash from operating activities	201,709	88,313



**Note 24. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

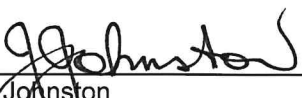
**The Pitt Town & District Sports Club Ltd**  
**Directors' declaration**  
**30 June 2023**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

  
\_\_\_\_\_  
Jan Johnston  
President

11 October 2023