

**63rd
ANNUAL REPORT**

SUNDAY 14th April, 2024.

BOARD OF DIRECTORS

Chairman : K.Poole

P. FINCH

I.MCLELLAN,

R. Grimes, G.Finch,R. Johnson

CEO: S Thomson

AUDITOR:

W.S. HARDY-SMITH B.BUS. C.A.

AUBURN SOCCER SPORTS CLUB LIMITED
ACN - 000 391 346

2023

FINANCIAL REPORT

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Auburn Soccer Sports Club Limited will be held at the Club premises on **Sunday 14th April, 2024** at 10:30a.m.

BUSINESS

The business of the Annual General Meeting will be as follows:

To confirm the Minutes of the Sixty Second Annual General Meeting.

To receive and Adopt the Report of the Board of Directors.

To Receive and Adopt the report of the Chief Executive Officer.

To Receive and Adopt the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows and the Auditors Report for the year ended 31st December, 2023.

Please note that these are available on the Club's website, or you may arrange to collect a copy from reception.

To consider and thought fit, pass each of the Special Ordinary Resolutions which are enclosed with this notice and labelled "Notice of Resolutions".

Any other business which may be dealt with at the Annual General Meeting.

To elect seven Directors, nominations for election of Directors shall be made individually in writing and signed by two members of the Club, and also by the nominee who shall also signify his consent to the nomination. Forms of nomination may be obtained from the Secretary.

Completed forms must be in the hands of the Secretary at least seven days before the General Meeting.

Dated: 23/2/24


Steven Thomson

Steven Thomson
CHIEF EXECUTIVE OFFICER
(By Order of the Board)

**NOTICE OF RESOLUTIONS TO BE CONSIDERED AT
THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that at the Annual General Meeting of
AUBURN SOCCER SPORTS CLUB LIMITED to be held on 14th April, 2024 commencing at 10:30am
at the premises at 12 Northumberland Road, Auburn NSW 2144.
The Members will be asked to consider and if thought fit pass the following resolutions.

FIRST ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

- a) The members hereby approve and agree to expenditure by the Club in a sum not exceeding \$15,000 until the next Annual General Meeting of the Club for the following activities of Directors:
- i) The reasonable cost of a meal and beverage for each director immediately before or immediately after a Board or Committee meeting on the day of that meeting.
 - ii) Reasonable expenses incurred by directors in travelling to and from directors meetings or other duly constituted committee meetings as approved by the Board from time to time on production of invoices, receipts, or other proper documentary evidence of such expenditure;
 - iii) Reasonable expenses incurred by directors in relation to such other duties including entertainment of special guests to the Club and other promotional activities performed by directors which activities and the expenses there from are approved by the Board before payment is made on production of receipts, invoices or other proper documentary evidence of such expenditure.
- b) The Members acknowledge that the benefits in paragraph (a) above are not available to Members generally but only for those who are directors of the Club.

SECOND ORDINARY RESOLUTION

That pursuant to the Registered Clubs Act:

- a) The Members hereby approve and agree to expenditure by the Club in a sum not exceeding \$30,000 for the professional development and education of directors until the next Annual General Meeting and being:
- i) The reasonable cost of Directors attending at the Registered Clubs Association Annual General meeting.
 - ii) The reasonable cost of Directors attending meetings of other Associations of which the Club is a member.
 - iii) The reasonable cost of Directors attending Seminars, Lectures, Trade Displays, Organised Study Tours, Fact - finding Tours and other similar events as may be determined by the Board from time to time.

iv) The reasonable cost of Directors attending other Clubs for the purpose of observing their facilities and methods of operation.

v) Attendance at functions with spouses where appropriate and required, to represent the Club.

The Members acknowledge that the benefits in paragraph (a) above are not available to members generally but only for those who are directors of the Club.

Dated: 23/2/24

Steven Thomson

Steven Thomson
CHIEF EXECUTIVE OFFICER
(By order of the Board)

EXPLANATION NOTES

IMPORTANT NOTES TO ALL MEMBERS

The purpose of the **Special Resolution** is to meet the requirements of Registered Clubs Act.

The purpose of the First Ordinary Resolution is to meet the disclosure requirements of Corporations Law and Registered Clubs Act. It relates to expenditure shown in the Club's Annual Accounts under various headings in previous years and approved by the Members when the Annual Accounts have been adopted.

The adoption of this Resolution by Members will confirm and set an upper limit on the amount to be expended and will meet the disclosure requirements of the Corporations Law and the Registered Clubs Act.

The purpose of the Second Ordinary Resolution is again to meet the disclosure requirements of Corporations Law and the Registered Clubs Act. It relates to expenditure by the Club for the professional development and education of Directors as well as ensuring that Directors keep up-to-date with current Club Industry development and that the Club is represented by selected Directors at the various Meetings of Associations of which the Club is a member.

The adoption of this Resolution by Members will confirm and set an upper limit on the amount to be expended and will meet the disclosure requirements of the Corporations Law and the Registered Clubs Act.

Summary


Each Ordinary Resolution must be passed as a whole and cannot be amended by motions from the floor of the Meeting or divided into two or more separate resolutions.

To be passed each resolution must receive votes in its favour from not less than a simple majority of the Members who, being entitled to do so, vote in person at the Meeting.

In order to provide an informed and properly researched response, members are urged to lodge questions in respect of the Financial Statements to the Chief Executive Officer, in writing, 7 days prior to the meeting.

Dated:

23/2/24



Steven Thomson

Steven Thomson

CHIEF EXECUTIVE OFFICER

(By Order of the Board)

Core Property information for members

Pursuant to Section 41 J (2) of the Registered Clubs Act, for the year ended 31st December, 2023:

(a) The following are Core Properties of the Club:

- (1) 12 Northumberland Road Auburn - The "Club House"

(b) The following are Non-Core Properties of the Club:

- (1) Please see notes to the Financial Statements

Notes to Members

1. Section 41 J (2) of the Registered Clubs Act requires the Annual Report to specify the core property and non-core property of the Club at the end of the financial year to which the report relates.
2. Core property is any real property owned or occupies by the Club that comprises:
 - (a) The defined premises of the Club; or
 - (b) any facility provided by the club for the use of its members or guests; or
 - (c) any other property declared by a resolution passed by a majority present at an Annual General Meeting of Ordinary 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 ordinary members of the club not to be core property.
4. The significance of the description between core 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 ordinary members of the club at which the majority of votes 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 and what constitutes disposal for the purposes of Section 41 J are to some extent modified by regulations made under the Registered Clubs Act and by Section 41 J itself. For example the requirements in paragraph 4 above do not apply to;
 - Core property that is being leased or licenced for a period not exceeding 10 years on terms that have been subject of a valuation by a Registered Valuer.

Privacy information for members

The Auburn Soccer Sports Club is subject to the provisions of the Privacy Act 1988.

The act contains 10 National Privacy Principles that set standards for the handling of personal information.

The club has a commitment to privacy and the safeguarding of member, visitor and staff personal information.

Any personal information provided by you (e.g. name, address, date of birth, and contact details), including information collected as a result of a membership card being placed in a gaming machine or other club machine that is linked to a player tracking system (not ATMs) that may provide a service to you, will be protected.

The Club will not disclose your personal information to any other organisation or person unless there is a legal requirement to do so. The Club may also disclose personal information to relevant authorities if it reasonably believes that there is a threat to an individual's life, or a threat to public health and safety. If the club has reason to suspect that unlawful activity has been, is being or may be engaged in, personal information may be used or disclosed as a necessary part of any investigation and reporting to relevant persons or authorities.

These contracts require the third party to keep your personal information confidential and secure.

Your personal information, including information obtained about you as a result of you placing your membership card in a gaming or other Club machine may be used by the Club for marketing purposes to improve our services and to provide you with the latest information about those services, any new related services and promotions.

If you do not wish to receive information about services and promotions, the Club, on request will remove your name from mailing lists.

You have the right to access any personal information that the Club may hold about you, including a right of correction of your information. The Club will generally not charge a fee for you to access your personal information.

CHAIRMAN'S REPORT

Dear Members,

It gives me pleasure to present to you my report for the 2023 year.

Our Audited accounts for the year ended 31st December, 2023, showed a profit of \$952,220 against \$727,748 last year.

At the time of my Report the final development stage is completed and all property transfers have been completed.

As indicated in my 2022 report the reason for approaching this development was to diversify the club's income stream to ensure the survival of the only club remaining in Auburn.

We have now negotiated long term leases for all our non-core land holdings including our three residential units.

On behalf of the Board, I would like to thank our staff for a job well done.

As announced last year our previous CEO, Neill Hendry, retired in July after over forty five years of employment and I welcome Steven Thomson as our new CEO.

Finally I would like to thank you, the members of our Club for your continued support by attending the Club, for without you our Club would not survive.



KEITH POOLE

CHAIRMAN

CHIEF EXECUTIVE OFFICERS REPORT

Dear Members,

I am honoured to present to you the members our Annual Report for 2023.

I wish to announce that the club has once again traded in a positive manner by returning a profit of \$952,220 for the year ended 31st December, 2023.

Unfortunately the future of the Registered Club Industry is not without its challenges.

The future regarding the use of gaming machines and the financial impact it will have on Registered Clubs has yet to be clarified.

We have now completed our development and have entered into long term leases on all properties which now gives the club an alternative revenue stream, without having to rely almost entirely on Poker Machines.

And finally, to conclude this report, I would like to thank both the Board of Directors and my staff for their support, and of course Neill Hendry for his guidance and support.

Also, to you our members and guests, thank you for making our Club the success that it is today.



S. Thomson

CHIEF EXECUTIVE OFFICER.

DIRECTORS' REPORT TO THE MEMBERS

The Directors present their report together with the financial report of Auburn Soccer Sports Club Limited for the year ended 31st December 2023 and the Auditors Report thereon.

1) Directors

The Directors in office at the date of this report are: -

K. Poole	P. Finch
I. McLellan	G. Finch
R. Grimes	
R. Johnson	

2) PRINCIPAL ACTIVITIES

The principal activity of the entity in the course of the period continued to be the conduct of the Club at Northumberland Road, Auburn and the support of Soccer Football.

During the period there were no significant changes in the nature of these activities.

3) REVIEW OF OPERATIONS

The Company's operating profit before tax for the financial year ended 31st December 2023 was \$952,220 (2022 \$727,748). Net revenue from Poker Machine operations for the 12 months trading to 31st December, 2023 was \$4,606,188. The Company contributed an aggregate amount of \$77,590 to community development and support as required under Part 4 of the Gaming Machine Tax Act 2001 for the 12 month period ended 31st December 2023.

4) DIVIDENDS

Being an entity limited by guarantee, there exists no share capital: consequently, no shares or options over unissued shares can be issued and no dividend can be paid.

5) STATE OF AFFAIRS

Matters or circumstances have not arisen since the end of the financial year that have significantly affected or may significantly affect: -

- the operations of the entity;
- the results of those operations; or
- the state of affairs of the entity in subsequent years

6) EVENTS SUBSEQUENT TO BALANCE DATE

At the date of this report it is not anticipated that there will be any likely developments, in the operations of the entity not otherwise disclosed in this report.

DIRECTORS' REPORT TO THE MEMBERS

-continued-

7) INFORMATION ON DIRECTORS

The particulars of the qualifications, experience and special responsibilities of the Directors of the entity are as follows -

<u>Name</u>	<u>Qualifications and Experience</u>	<u>Experience Years as a Director</u>
K. Poole	Driver	39
I. McLellan	Retired	20
P. Finch	Postal Worker	22
R. Grimes	Accountant	20
G. Finch	Retired	3
R. Johnson	Manager	3

8) LIKELY AND FUTURE DEVELOPMENTS AND EXPECTED RESULTS

Likely developments in the operations of the company in future financial years and the expected results of those operations are as follows:

Government legislation regarding Poker Machine precommitment may affect the club's future profits

9) DIRECTORS BENEFITS

No Director since the end of the previous financial year has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the accounts or the fixed salary of a full-time employee of the entity) by reason of a contract made by the entity, or a related entity with the Director or with a firm of which he is a member, or with a entity in which he has a substantial financial interest.

10) OVERSEAS TRAVEL

Nil

11) DIRECTORS INDEMNITY

The company has provided an indemnification and insurance for its present and former officers of the company.

DIRECTORS' REPORT TO THE MEMBERS

-continued-

12) ENVIRONMENTAL LEGISLATION

The company's operations are subject to various significant environmental regulations under both Commonwealth and state legislation.

The Directors are not aware of any significant breaches during the period covered by this report.

13) DIRECTOR AND EMPLOYEE INTEREST IN HOTELS

No Director or any of the top 5 (by remuneration) club employees holds any financial interest in a hotel.

14) EMPLOYEE REMUNERATION

The top 5 employees of the Company whose income from the Company or any related party is greater than \$100,000 falls within the following bands. Nil

15) PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is party for the purposes of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not party to any such proceedings during the year.

16) AUDITOR'S INDEPENDENCE DECLARATION

As required under Section 307C of the Corporations Act 2001 the Director's have received the Independence Declaration from the Auditor. The Declaration is attached.

Dated: 23/2/24

Signed in accordance with a resolution of Directors.



K. Poole - Director

AUDITOR'S INDEPENDENCE DECLARATION

In relation to my audit of the financial report of Auburn Soccer Sports Club Limited for the financial year ended 31st December, 2023, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Dated:

22/12/24

7 Gilbert Street
Elderslie NSW 2570



W.S. HARDY-SMITH - PRINCIPAL Elderslie NSW
REGISTERED COMPANY AUDITOR

AUDITOR'S REPORT TO THE MEMBERS OF AUBURN SOCCER SPORTS CLUB LIMITED

SCOPE

The Financial Report and Directors Responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements and the Directors declaration.

The company's directors are responsible for the preparation and true and fair presentation of the Financial report in accordance with the Corporations Act 2001. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

I have conducted an independent audit in order to express an opinion on them to the members of the company.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

I performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001, Accounting Standards and other mandatory financial reporting requirements in Australia, a view which is consistent with my understanding of the Company's financial position and of its performance as represented by the results of its operations and cash flows.

AUDITOR'S REPORT TO THE MEMBERS
OF AUBURN SOCCER SPORTS CLUB LIMITED - Continued

I formed my audit opinion on the basis of these procedures, which included:

Examining, on a test basis, information to provide evidence supporting the amounts and other disclosures in the financial report; and

Assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While I considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of my procedures, my audit was not designed to provide assurance on internal controls.

INDEPENDENCE

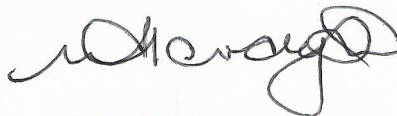
In conducting my audit I followed applicable independence requirements of Australian Professional Ethical pronouncements and the Corporations Act 2001.

AUDIT OPINION

In my opinion, the financial report of Auburn Soccer Sports Club Limited is in accordance with:

- a) the Corporations Act 2001 including
 - i) giving a true and fair view of the company's financial position at 31st December 2023 and its performance for the financial year ended on that date; and
 - ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements.

Dated: 22/12/24



W.S. HARDY-SMITH - PRINCIPAL
REGISTERED COMPANY AUDITOR

7 Gilbert Street
Elderslie NSW

AUBURN SOCCER SPORTS CLUB LIMITED

DIRECTORS DECLARATION

In the opinion of the Directors of Auburn Soccer Sports Club Limited the accompanying concise financial Report of the company for the year ended 31st December, 2023:

- a) the financial statements and notes, set out in the report are in accordance with the Corporations Act 2001, including;
- (i) giving a true and fair view of the financial position of the Company as at 31st December, 2023 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
 - (iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated: 23/2/24

Signed in accordance with a resolution of directors:



K Poole
Director

AUBURN SOCCER SPORTS CLUB LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023	2022
	\$	\$
Revenues from Sale of Goods	468,686	402,572
Revenue from Rendering Services	4,606,188	4,040,103
Other Revenue	382,847	192,383
Total Revenue	<u>5,457,720</u>	<u>4,635,058</u>
Cost of Goods Sold	218,147	217,319
Poker Machine Duty	781,738	680,684
Employee Expenses	1,483,722	1,315,182
Entertainment and Promotions	220,452	196,048
Repairs and Maintenance	304,660	209,515
Insurance	94,116	70,848
Light and Power	189,251	182,882
Strata Fees	137,011	91,391
Cleaning	110,328	104,848
Security	70,311	60,205
Other Expenses	635,898	525,073
	<u>4,245,634</u>	<u>3,653,996</u>
Earnings before borrowing costs, tax And depreciation expenses	1,212,086	981,062
Depreciation	259,866	253,314
Borrowing costs	-	-
	<u>259,866</u>	<u>253,314</u>
Profit/Loss) from ordinary activities before related Income Tax Expense	952,221	727,748
Income Tax expense relating to ordinary activities	-	-
Net Profit /(Loss)	952,221	727,748

The statement of financial performance is to be read in conjunction with the notes to the financial statements

AUBURN SOCCER SPORTS CLUB LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2023

	2023	2022
	\$	\$
<u>CURRENT ASSETS</u>		
Cash	3,296,021	2,644,924
Receivables	544,475	314,887
Inventories	41,558	24,129
<u>TOTAL CURRENT ASSETS</u>	<u>3,882,054</u>	<u>2,983,940</u>
<u>NON-CURRENT ASSETS</u>		
Property, Plant & Equipment	15,139,484	24,351,850
<u>INTANGIBLE ASSETS</u>		
Future Income Tax Benefit	19,112	19,112
<u>TOTAL ASSETS</u>	<u>19,040,650</u>	<u>27,354,901</u>
<u>CURRENT LIABILITIES</u>		
Creditors & Borrowings	344,418	301,997
Provisions	481,700	510,242
<u>TOTAL CURRENT LIABILITIES</u>	<u>826,118</u>	<u>812,239</u>
<u>TOTAL LIABILITIES</u>	<u>826,118</u>	<u>812,239</u>
<u>NET ASSETS</u>	<u>18,214,532</u>	<u>26,542,662</u>
<u>ACCUMULATED FUNDS</u>		
Retained Profits	16,643,644	15,691,424
Asset Revaluation Reserve	1,570,888	10,851,238
	<u>18,214,532</u>	<u>26,542,662</u>

The statement of financial performance is to be read in conjunction with the notes to the financial statements

AUBURN SOCCER SPORTS CLUB LIMITED

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31ST DECEMBER, 2023

	2023	2022
	\$ Inflows (Outflows)	Inflows
Cash Flows - Operating		
Receipts from outside activities	7,420,468	7,061,806
Payments	-	-
Interest & other costs of Finance paid	5,680,736	3,772,462
Interest Received	-	-
	13,020	2,813
Net Cash Flows from Operating	<u>1,752,752</u>	<u>3,292,157</u>
Cash Flows from Investing		
Payment for Property and Plant	-	-
Net Cash used in Investing	1,101,655	936,965
Activities	-	-
	1,101,655	936,965
Cash from Financing		
Borrowings	-	-
Net Cash Flows - Financing	-	-
Activities	-	-
Net Increase/(Decrease) in cash held	1,101,655	936,965
	651,097	2,355,192
Cash at the beginning of the year	2,644,924	3,296,021
<u>CASH AT THE END OF THE YEAR</u>	<u>3,296,021</u>	<u>2,644,924</u>

AUBURN SOCCER SPORTS CLUB LIMITED

NOTES TO THE STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31ST DECEMBER, 2023

Note 1

Reconciliation of Cash

Cash at the end of the year as shown in the Statement of Cash flows is reconciled to the related items in the Balance Sheet as follows :

	2023	2022
	\$	\$
Cash on Hand	97,300	97,300
Cash at Bank	3,198,721	2,547,624
	<u>3,296,021</u>	<u>2,644,924</u>

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

BASIS OF PREPARATION

The financial report is a general purpose financial report which has been prepared in accordance with Accounting standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards board and the Corporations Act 2001.

It has been prepared on an accrual basis and is based on historical costs does not take into account changing values or, except where stated, current valuations of non-current assets.

The accounting policies adopted are consistent with those of the previous year.

REVENUE RECOGNITION

Revenues are recognised at fair value of the consideration received net of the amount of Goods and Services Tax (GST) payable to the taxation authority. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenues.

Sales of Goods

Revenue from sales of goods comprises revenue earned from the provision of food beverage and other goods is recognised (net of rebates, returns, discounts and other allowances) when control of the goods passes to the customer.

Rendering of services revenue

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

Interest Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets

Sale of Property, Plant and Equipment

The gross proceeds of non-current asset sales are included as revenue at the date control of the asset passes to the buyer, usually when an unconditional contract of sale is signed. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or current liability in the statement of financial position.

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

BORROWING COSTS

Borrowing costs include interest, amortisation of discounts or premiums related to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and lease finance charges. Ancillary costs incurred in connection with the arrangement of borrowings are capitalised and amortised over the life of the borrowings.

Borrowing costs are expensed as incurred unless they relate to a qualifying asset. Qualifying assets are assets which take more than twelve months to get ready for their intended use or sale.

In these circumstances, borrowing costs are capitalised to the costs of the assets.

Where funds are borrowed specifically for the acquisition, construction or production of a qualifying asset, the amount of the borrowing costs capitalised are those incurred in relation to that borrowing, net of any interest earned on those borrowings. Where funds are borrowed generally, borrowings costs are capitalised using a weighted average capitalisation rate.

TAXATION

Income Tax

The Company adopts the income statement liability method of tax effect accounting.

Future income tax benefits are not brought to account unless realisation of the asset is assured beyond reasonable doubt. Future income tax benefits relating to tax losses are only brought to account when their realisation is virtually certain.

ACQUISITION OF ASSETS

All assets acquired including property, plant and equipment are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition.

Expenditure is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred, it is probable that those future economic benefits will eventuate, and the costs can be measured reliably.

Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

Subsequent additional costs

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the company in future years. Costs that do not meet the criteria for capitalisation are expensed as incurred.

REVISIONS OF ACCOUNTING ESTIMATES

Revisions to accounting estimates are recognised prospectively in current and future periods only.

RECEIVABLES

Debtors are generally settled within 60 days and are carried at amounts due. The collectability of debts is assessed at the year end and specific provision is made for any doubtful accounts.

INVENTORIES

Inventories are carried at the lower of cost and net realisable value.

LEASED ASSETS

Leases under which the company assumes substantially all the risks and benefits of ownership are classified as finance leases. Other leases are classified as operating leases

Finance Leases

Finance leases are capitalised. A lease asset and lease liability equal to the present value of the minimum lease payments are recorded at the inception of the lease.

Lease liabilities are reduced by payments of principal. The interest components of the lease payments are expensed.

Operating Leases

Payments made under operating leases are expenses on a straight line basis over the term of the lease, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased property.

RECOVERABLE AMOUNT OF NON-CURRENT ASSETS VALUED ON A COST BASIS

The carrying amounts of non-current assets valued on the cost basis are reviewed to determine whether they are in excess of their recoverable amount at the reporting date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. The write-down is expensed in the reporting period in which it occurs.

Current valuations of land and buildings valued on the cost basis are carried out at least once every three years.

NOTES TO AND FORMING PART OF THE 2023 ACCOUNTS

NOTE 1 - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where a group of assets working together supports the generation of cash flows, recoverable amount is assessed in relation to that group of assets.

In assessing recoverable amounts of non-current assets the relevant cash flows have not been affected.

DEPRECIATION AND AMORTISATION

Complex Assets

The components of major assets that have materially different useful lives, are effectively accounted for as separate assets, and are separately depreciated.

Useful Lives

All non-current assets, including intangibles, have limited useful lives and are depreciated/amortised using the straight line and diminishing value methods over their estimated useful lives, taking into account estimated residual values, with the exception of freehold land.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected in current and future periods only.

PAYABLES

Trade accounts payable are normally settled within 30 days.

INTEREST BEARING LIABILITIES

Bank loans are recognised at their principal amount. Interest expense is prepaid at the contracted rate and included in "prepayments".

EMPLOYEE ENTITLEMENTS

Wages, salaries, annual and sick leave

Liabilities for employee entitlements to wages, salaries, annual and sick leave represent present obligations resulting from employee's services provided up to the reporting date, calculated at undiscounted amounts based on current wage and salary rates including related on-costs.

LONG SERVICE LEAVE

The provision for employee entitlements to long service leave represents the present value of the estimated future cash flows to be made resulting from employees' services provided up to the reporting date.

In determining the liability for employee entitlements, consideration has been given to future increases wage and salary rates and the Company's experience with staff departures. Related on-costs have also been included in the liability.

SUPERANNUATION PLAN

The Company contributes to a defined contribution superannuation plans. Contributions are charges against income as they are made. Further information is set out below.

	2023	2022
<u>NOTE 2 – REVENUE FROM ORDINARY ACTIVITIES</u>		
Sale of Goods Revenue	468,686	402,572
Rendering of Services Revenue	4,606,188	4,040,103
Other revenues		
Interest and revenue - other parties	382,847	192,383
Total revenue from ordinary activities	5,457,720	4,635,058

	2023	2022
<u>NOTE 3 – PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX</u>		
Profit from Ordinary activities before Income Tax	952,221	727,748
Profit from ordinary activities before income tax has been Arrived at after charging		
Crediting the following	-	-
Borrowing Costs	-	-
Provision-Employee Entitlements	481,700	510,242
Depreciation	259,866	253,314
KEY PERFORMANCE INDICATORS		
Bar Gross Profit Percentage	48.26%	49.63%
Wages to Sales - Percentage	29.97%	29.63%

Note 4

Auditors Remuneration

Audit Services	17,000	17,000
Other Services	34,676	36,495
	51,676	53,495

Note 5

Income Tax Expense

Income Tax Expense

The Income Tax Assessment Act, 1997 (amended) provided that under the concept of mutuality clubs are only liable to tax on income derived from non-members and from outside entities.

The amount set aside for income tax in the statement of Financial Performance has been calculated as follows:

	2023	2022
Net taxable income attributable to non-members	89,462	24,485
Add other taxable income	200,166	356,200
	<u>289,628</u>	<u>380,685</u>
less other deductible expenses	-	-
Net Income Subject to tax	<u>289,628</u>	<u>471,840</u>
	<u>-</u>	<u>91,155</u>

Note 6 - Cash

	2023	2022
Cash on Hand	97,300	97,300
Cash at Bank	3,198,721	2,547,624
	<u>3,296,021</u>	<u>2,644,924</u>

NOTE 7 - RECEIVABLES

	2023	2022
Current -		
Trade Debtors	544,475	314,887
Prepayments	-	-
	<u>544,475</u>	<u>314,887</u>

NOTE 8 - INVENTORIES

	2023	2022
Trading Stock and Prize Items	41,558	24,129

Note 9

Intangible Assets

Future Income Tax Benefit	19,112	19,112
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Note 10

Property, Plant and Equipment

	2023	2022
Freehold land, buildings and improvements - at independent valuation (Note 1)	13,360,000	23,548,409
Less: Accumulated depreciation		
Net Book Value	13,360,000	23,548,409
General Plant - at cost	-	-
Less: Accumulated depreciation	-	-
Net Book Value	<u>-</u>	<u>-</u>

Poker Machines - at cost	2,287,953	2,070,203
Less: Accumulated depreciation	1,570,060	1,292,221
Net Book Value	<u>717,893</u>	<u>777,982</u>
Furniture & Equipment - at cost	1,101,655	3,259
Less: Accumulated depreciation	110,166	1,077
Net Book Value	<u>991,489</u>	<u>2,182</u>
Motor Vehicle	93,468	48,943
Less: Accumulated amortisation	23,366	25,666
Net Book Value	<u>70,102</u>	<u>23,277</u>
Total - at Net Book Value	<u>15,139,484</u>	<u>24,351,850</u>
TOTAL PROPERTY, PLANT & EQUIPMENT		
At cost & Independent Valuation	16,843,076	25,670,814
Accumulated Depreciation	1,703,592	1,318,964
NET BOOK VALUE	<u>15,139,484</u>	<u>24,351,850</u>

Core and Non Core Land

With reference to Section 41J of the Registered Clubs Act as amended by the Registered Clubs Amendment Act 2006, the properties owned or occupied by Auburn Soccer Sports Club Limited as at 31st December, 2023 are as follows:

Core Properties

12-14 Northumberland Road

Non-Core Properties

5-7 Northumberland Road

Station Street Child Care Centre

Units 910,1010,1110 5-7 Northumberland Road

VALUATION

The independent valuation of the company's building and improvements was carried out on the basis of market value for existing use.

Note 11

Creditors and Borrowings

Current

Trade creditors & accruals

GST Payable

Trade creditors & accruals	200,367	301,997
GST Payable	142,049	-
	<u>342,416</u>	<u>301,997</u>

Note 11 - Continued

Interest Bearing Liabilities

Current

Bank Facility

- -

Financing Arrangements

The company has access to the following lines of credit:

Line of Credit

- 560,000

Bank Guarantees

15,000 -

Overdraft Facility

50,000

Facilities Used at Reporting Date

Line of Credit

Bank Guarantees

15,000 -

Overdraft Facility

- -

Facilities not utilised at Reporting Date

Line of Credit

560,000

Bank Guarantees

-

Overdraft Facility

50,000

Security

Nil

Note 12 - Provisions

Current

Holiday and sick pay

292,439 312,097

Long service leave

189,261 198,144

481,700 510,242

NOTE 13 - GUARANTEE OF MEMBERS

The entity is limited by guarantee. Every member of the entity undertakes to contribute to the assets of the entity in the event of its being wound up for the payment of the debts and the liabilities of the entity together with the cost, charges and expenses of winding up, such amount as may be required but not exceeding \$4.

NOTE 14 - RELATED PARTY TRANSACTIONS

The directors of Auburn Soccer Sports Club Limited during the financial year were :

K. Poole	I.McLellan
P. Finch	R.Grimes
R. Johnson	G.Finch

No director has received or is due to receive any income, directly or indirectly from the economic entity during the financial year except for honorariums paid of \$14,600 (2022 \$14,600).

NOTE 15 - FINANCIAL REPORTING BY SEGMENTS

The entity operates primarily in one industry. The principal activity of the entity is the promotion and provision of facilities for the recreation and social benefits of members in conjunction with support of the game of soccer.

The entity operates in one geographical area, being Auburn, NSW, Australia.

NOTE 16 – DIRECTORS REMUNERATION

	2023	2022
Directors income		
The number of Directors of the Company whose income From the Company falls within the following bands:		
\$0 - \$9,999	7	7
Available, to all directors of the Company or any Related party	<u>\$14,600</u>	<u>\$14,600</u>

NOTE 17 – PRINCIPLE OF MUTUALITY

The company calculates its income in accordance with the mutuality principle which excludes from income, any amounts of subscriptions and contributions from members, and payments received from members for particular services provided by the club (e.g. poker machines, bar and social club's). The Commissioner of Taxation accepts this method of calculating income as appropriate for recognised clubs and associations.

Following the recent Full Federal Court decision in *Coleambally Irrigation Co-Operative Limited V* FCT (2004) FCAFC, Tax Laws Amendment (2005 Measures No 6) Bi I2005 was tabled in Parliament on 7th December, 2005 to amend the Income Tax Assessment Act 1997 to restore the long standing benefits of the mutuality principle to those non-profit organisations affected by the Coleambally decision.

These amendments will ensure social clubs continue not to be taxed on receipts and contributions and payments received from members.

NOTE 18 – IMPACT OF ADOPTING AUSTRALIAN EQUIVALENTS TO IFRS

Australian equivalents to IFRs have been adopted in the financial report for the year ended 31st December, 2023 and in the comparative information presented in the report for the year ended 31st December, 2022.

Impairment of assets have been determined on a discounted cash basis and freehold land and buildings and improvements have been compared with valuations as disclosed in the notes to the financial statements.

ADDITIONAL INFORMATION

TRADING AND PROFIT & LOSS ACCOUNT DISCLAIMER

The additional financial data presented on the following pages are in accordance with the books and records of the above entity (my client) which have been subjected to the auditing procedures applied in our statutory audit of the entity for the financial year ended 31st December, 2023.

It will be appreciated that my statutory audit did not cover all details of the additional financial data. Accordingly I do not express an opinion on such additional financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than my client) in respect of such additional data, including any errors or omissions therein however caused.

Dated: 22/3/24

7 Gilbert Street
Elderslie NSW 2570



W.S. HARDY-SMITH - PRINCIPAL
REGISTERED COMPANY AUDITOR

NOTES TO AND FORMING PART OF THE 2023 ACCOUNTS

Note 19

Consolidated Income & Expenditure

	2023	2022
Bar Trading	-	166,065
Poker Machines	237,121	-
Catering Trading	2,919,351	2,686,130
Keno Trading	-	-
Workers Compensation Receipts	32,901	34,899
Rental Income	13,626	-
Membership Subscriptions	356,200	189,571
Commission Received	24,187	17,850
Booking Fees	38,479	29,930
Sundry Income	-	-
Interest Received	84,839	26,405
	13,020	2,813
	<u>3,245,484</u>	<u>2,821,532</u>
LESS: EXPENSES		
Expenditure on Social Events	216,028	193,429
Administration & General Expenses	2,077,236	1,900,354
	<u>952,221</u>	<u>727,748</u>
Profit/- Loss before Income Tax	<u>237,121</u>	<u>166,065</u>

Note 11 Bar Trading

	2023	2022
SALES	468,686	402,572
Less: Opening Stock	31,267	28,413
Purchases	217,358	205,678
Less closing stock	- 28,413 -	24,129
	<u>220,212</u>	<u>217,870</u>
Gross Profit	248,474	184,702
Less Direct Bar Expenses		
Wages	460,201	331,121
Maintenance & Supplies	19,393	13,647
Stocktaking fees	6,000	6,000
	<u>485,594</u>	<u>350,767</u>
Net Loss	<u>- 237,121 -</u>	<u>166,065</u>

Note 11 - Poker Machines

	2023	2022
Receipts	4,419,415	3,930,559
Less: Duty	781,738	680,684
Poker Machine Promotions	-	-
Repairs & Maintenance	146,561	107,828
Depreciation	126,333	102,846
Wages	332,639	308,104
Giveaways	4,424	2,619
Rental Charges	108,368	42,348
Monitoring	-	-
	<u>1,500,064</u>	<u>1,244,429</u>
Net Profit	<u>2,919,351</u>	<u>2,686,130</u>

Note 12 - Catering

Sales	-	-
Less: Opening Stock	-	-
Purchases	-	-
Less: Closing Stock	-	-
Gross Profit	<u>-</u>	<u>-</u>
Less: Direct Expenses		
Wages	-	-
Maintenance & Supplies	-	-
Net Loss	<u>-</u>	<u>-</u>

Note 13 - Keno Trading

Commission	39,268	35,359
Less: Direct Expenses	6,366	460
Net Profit	<u>32,901</u>	<u>34,899</u>

Note 23 - Socials

Entertainment	-	-
Members Functions	216,028	193,429
Directors Expenses	-	-
Staff Expenses	-	-
Total Socials Expense	<u>216,028</u>	<u>193,429</u>

Note 24 - Admin and General

	2023	2022
	\$	\$
Advertising	4,517	13,500
Accounting & Audit	51,676	53,495
Badges & Membership Expenses	-	
Bank, FID Charges & Interest	2,953	2,982
Club Journal	-	-
Cleaning Contractors	110,328	104,848
Computer Expenses	88,951	35,702
Depreciation	133,532	150,468
Donations & Subscriptions	90,980	59,987
Electricity & Gas	189,251	182,882
Filing Fees	249	333
Fringe Benefits Tax	6,836	13,688
General Expenses	116,697	79,318
Interest		
Insurance	94,116	70,848
Staff Provisions	-	28,533
Land Tax	-	88,025
Motor Vehicle Expenses	13,327	8,220
Payroll Tax	2,695	-
Printing, Stationery & Postage	17,874	13,476
Rates	38,546	37,311
Repairs & Maintenance	133,622	87,580
Security	70,311	60,205
Staff Training		
Strata Fees	137,011	91,391
Superannuation	140,535	128,245
Superstation Fees	79,414	73,505
Telephone	10,306	10,320
Wages	571,348	499,845
Uniforms	696	-
Total Expenses	<u>2,077,236</u>	<u>1,900,354</u>









