



ANNUAL REPORT

FOR THE YEAR ENDED
30 JUNE 2024

Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Financial Statements

For the Year Ended 30 June 2024

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Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Directors' Report

30 June 2024

Your directors present their report on Tomakin Sports and Social Club Limited for the financial year ended 30 June 2024.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Name	Position	Qualifications, experience and responsibilities	Years on Board
K Francis	President	Retired	11
N Arousseau	Treasurer	Retired	29
K Bingley	Director	Domestic Duties	8
B Megee	Director	Public Servant	8
D Snedden	Director	Retired	6
J Ireland	Director	Retired	3
B Stone	Director	Retired	3
K James ¹	Director	Retired	0
T Montgomerie ²	Former President	Retired	10

1. *Appointed 26 November 2023*

2. *Resigned 26 November 2023*

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

Review of operations

The result of the Company for the year amounted to a deficit after tax of \$937,186 (2023: deficit after tax of \$1,318,799).

Significant changes in the nature of activities

The principal activity of Tomakin Sports and Social Club Limited during the financial year was to conduct a Social, Sporting and Recreational Club for the benefit of members.

The principal continuing activities of the Company is to afford members the equal privileges, advantages, conveniences and facilities of a Registered Club.

Subsequent to year end the Club amalgamated with the Milton Ulladulla Ex-Servos Club Limited effective from 31 July 2024. From this date the assets and liabilities were transferred to Milton Ulladulla Ex-Servos Club Limited. As the intention is to cease trading, these financials have been prepared on a liquidation basis (refer note 1).

Tomakin Sports and Social Club Limited

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Directors' Report

30 June 2024

Short term objectives

The Company's short term objectives are to continue to provide quality facilities for the benefit of members and guests.

Long term objectives

The Company's long term objectives are to upgrade the Club's existing facilities in a bid to provide members and guests with new services and Club amenities. These new facilities are expected to increase patronage, resulting in a positive impact on the operating performance of the Club.

Strategy for achieving the objectives

To achieve these objectives, the Company will continue to review, and make changes where required to, income and cost drivers pertaining to the day-to-day operations of the Club.

Performance measures

The Company assesses its performance in terms of its achievement of strategic and financial objectives with reference to:

- the quality of the service and facilities provided to members;
- the ability to generate strong cash flows from its operating activities;
- the trading and overall financial result; and
- the stability of the balance sheet with respect to the Company's liquidity and the total levels of debt.

Members guarantee

The Tomakin Sports and Social Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$5 subject to the provisions of the Company's constitution.

At 30 June 2024 the collective liability of members was \$48,240 (2023: \$ 44,405).

Tomakin Sports and Social Club Limited

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Directors' Report

30 June 2024

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
K Francis	12	11
N Arousseau	12	9
K Bingley	12	11
B Megee	12	12
D Snedden	12	12
J Ireland	12	10
B Stone	12	12
K James	8	5
T Montgomerie	4	4

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2024 has been received and can be found on page 4 of the financial report.

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



K Francis
President

Dated: 11 November 2024



Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Tomakin Sports and Social Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, 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.

Daley & Co
Chartered Accountants

Stephen Milgate
Partner

Wollongong

Dated: 11 November 2024

Wollongong

PO Box 333
Wollongong NSW 2520
02 4229 6477

✉ wollongong@daley.com.au

Bowral

PO Box 1032
Bowral NSW 2576
02 4862 1082

✉ bowral@daley.com.au

Sydney

PO Box 903
Sydney NSW 2001
02 8236 8177

✉ sydney@daley.com.au

daley.com.au

ABN 43 152 844 291

Liability limited by a
Scheme approved under
Professional Standards
Legislation.



Tomakin Sports and Social Club Limited

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2024

		2024	2023
	Note	\$	\$
Revenue	4	7,382,641	8,039,720
Other income	4	273,882	301,774
		<u>7,656,523</u>	<u>8,341,494</u>
Employee benefits expense		(3,318,529)	(4,045,607)
Cost of sales		(1,371,159)	(1,724,474)
Gaming expense		(781,747)	(821,725)
Depreciation and amortisation expense	12	(731,208)	(831,429)
Membership expense		(530,319)	(463,149)
Clubhouse expense		(434,495)	(466,568)
Lease expenses	11	(184,817)	(143,173)
Property expense		(99,183)	(128,235)
Finance expenses		(285,570)	(182,550)
Administrative expenses		(399,611)	(485,936)
Loss on disposal of assets		(70,260)	-
Other expenses		(386,811)	(367,447)
Result before income tax		(937,186)	(1,318,799)
Income tax expense	6	-	-
Result for the year		(937,186)	(1,318,799)
Other comprehensive income for the year		-	-
Total comprehensive income/(loss) for the year		(937,186)	(1,318,799)

The accompanying notes form part of these financial statements.

Tomakin Sports and Social Club Limited

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Balance Sheet

As at 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	277,819	357,684
Trade and other receivables	8	12,229	50,842
Inventories	9	60,173	77,910
Prepayments		79,575	79,673
Assets held for sale	10	8,282,186	-
TOTAL CURRENT ASSETS		<u>8,711,982</u>	<u>566,109</u>
NON-CURRENT ASSETS			
Right-of-use assets	11	-	531,603
Property, plant and equipment	12	-	8,444,301
TOTAL NON-CURRENT ASSETS		<u>-</u>	<u>8,975,904</u>
TOTAL ASSETS		<u>8,711,982</u>	<u>9,542,013</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	1,008,491	968,682
Lease liabilities		419,454	230,714
Borrowings	14	3,731,218	3,601,842
Employee benefits	15	388,304	392,656
TOTAL CURRENT LIABILITIES		<u>5,547,467</u>	<u>5,193,894</u>
NON-CURRENT LIABILITIES			
Lease liabilities		-	179,042
Employee benefits	15	-	67,376
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>246,418</u>
TOTAL LIABILITIES		<u>5,547,467</u>	<u>5,440,312</u>
NET ASSETS		<u>3,164,515</u>	<u>4,101,701</u>

The accompanying notes form part of these financial statements.

Tomakin Sports and Social Club Limited

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Balance Sheet

As at 30 June 2024

	2024	2023
	\$	\$
EQUITY		
Retained earnings	<u>3,164,515</u>	<u>4,101,701</u>
TOTAL EQUITY	<u><u>3,164,515</u></u>	<u><u>4,101,701</u></u>

The accompanying notes form part of these financial statements.

Tomakin Sports and Social Club Limited

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Statement of Changes in Equity

For the Year Ended 30 June 2024

	Retained Earnings \$
Balance at 1 July 2023	4,101,701
Result for the year	<u>(937,186)</u>
Balance at 30 June 2024	<u>3,164,515</u>
Balance at 1 July 2022	5,420,500
Result for the year	<u>(1,318,799)</u>
Balance at 30 June 2023	<u>4,101,701</u>

The accompanying notes form part of these financial statements.

Tomakin Sports and Social Club Limited

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Statement of Cash Flows

For the Year Ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	9,437,964	9,218,618
Payments to suppliers and employees	(9,102,464)	(9,508,007)
Interest received	281	688
Finance costs	(285,570)	(182,550)
Net cash provided/(used) by operating activities	50,211	(471,251)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(67,376)	(797,814)
Proceeds from disposal of assets	14,394	-
Net cash provided/(used) by investing activities	(52,982)	(797,814)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from/(repayment of) borrowings	158,837	914,958
Repayment of lease liabilities	(206,468)	(196,544)
Net cash provided/(used) by financing activities	(47,631)	718,414
Net increase/(decrease) in cash and cash equivalents held	(50,402)	(550,651)
Cash and cash equivalents at beginning of year	209,968	760,619
Cash and cash equivalents at end of financial year	7 159,566	209,968

The accompanying notes form part of these financial statements.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

The financial report covers Tomakin Sports and Social Club Limited as an individual entity. Tomakin Sports and Social Club Limited is a not-for profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Tomakin Sports and Social Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policy information adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Liquidation Basis of Preparation

Subsequent to year end the Liquor and Gaming NSW approved the amalgamation of the Tomakin Sports and Social Club with Milton Ulladulla Ex-Servos Club Limited from 31 July 2024. At this date the assets and liabilities of the Tomakin Sports and Social Club were transferred to Milton Ulladulla Ex-Servos Club Limited. The company is expected to be wound up after the 2024 Annual General Meeting, and therefore it is no longer appropriate to prepare the financial report on a going concern basis.

This financial report has been prepared on a liquidation basis. Comparative information remains on a going concern basis and has not been adjusted.

Under the liquidation basis of preparation, assets and liabilities are measured at their liquidation value. The liquidation value of assets and liabilities is detailed in the accounting policies below. See critical judgement and estimate at note 3(a).

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

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

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

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

Specific revenue streams

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

Bar sales and poker machine income

Revenue is recognised at the point the customer purchases the goods and services at the venue. Payment of the transaction price is due immediately at the time of purchase.

Commissions

Commissions income is recognised over the period in which the related services are rendered.

Membership subscriptions

Membership services requires the annual subscription payment to be made upfront. A contract liability is recognised on receipt of the payment and recognised on a straight-line basis as revenue as the services are provided.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(a) Revenue and other income

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

(b) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(c) Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Leases

At inception of a contract, the Company assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(e) Leases

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Company has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

(i) Right-of-use asset

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

(ii) Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(e) Leases

(ii) Lease liability

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment of losses.

Under the cost model, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(g) Property, plant and equipment

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings and facilities	2 - 10%
Plant and equipment	10 - 50%
Poker machines	20 - 33%
Motor vehicles	20 - 25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Assets classified as held for sale are not amortised or depreciated.

Non-current assets classified as held for sale and any associated liabilities are presented separately in the balance sheet.

(i) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(i) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost; or
- fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(i) Financial instruments

Financial assets

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(i) Financial instruments

Financial assets

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, loans and lease liabilities.

(j) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless of goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(j) Impairment of non-financial assets

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(k) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(l) Goods and services tax (GST)

Revenue, 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 Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

2 Material Accounting Policy Information

(l) Goods and services tax (GST)

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

(m) New and amended standards adopted by the Company

The Company has adopted all applicable standards which became effective for the first time during the year ended 30 June 2024. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below:

(a) Critical judgements and estimate - liquidation basis of accounting

As referred to in note 1, the financial report is reported under a liquidation basis, which requires that all assets and liabilities are measured at their liquidation values. At the completion of the Memorandum of Understanding, under the specified terms, the Milton Ulladulla Ex-Servos Club Limited will take legal ownership of all assets and liabilities.

The Directors have chosen to present the assets and liabilities in the Statement of Financial Position in order of liquidity presentation method, consistent with AASB101 - Presentation of Financial Statements, on the basis that it presents a more reliable and relevant view.

Accordingly, the Directors are of the view that the most appropriate liquidation value of the Company's assets is the lower of cost and their net realisable value (consistent with Australian Accounting Standards), which do not permit the write-up of the carrying value of assets above their (depreciated) cost, unless under a revaluation framework - which the Directors have not elected to adopt. The assets and liabilities of the Company are recorded as per the accounting policies at note 2.

Notes to the Financial Statements

For the Year Ended 30 June 2024

3 Critical Accounting Estimates and Judgements

(a) Critical judgements and estimate - liquidation basis of accounting

The liquidation value of liabilities is their expected settlement amount, which have either been transferred over to the Milton Ulladulla Ex-Servos Club Limited under the Agreement, or settled post year-end.

(b) Key estimates - employee entitlements

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

(c) Key estimates - impairment of property, plant and equipment

Management assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(d) Key estimates - useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

4 Revenue and Other Income

	2024	2023
	\$	\$
<i>Revenue from contracts with customers</i>		
- Gaming machine revenue	3,656,422	3,671,907
- Bar sales	1,854,540	2,045,532
- Catering income	1,462,842	1,930,500
- Raffle and bingo income	291,506	267,328
- Commissions - Keno and TAB	80,591	74,831
- Membership income	36,740	49,622
	<u>7,382,641</u>	<u>8,039,720</u>
<i>Other revenue</i>		
- Government subsidies	-	12,702
- Other commissions	72,576	77,732
- Supplier rebates	119,252	114,724
- Gain on disposal of assets	-	22,251
- EFT cards	6,738	14,362
- Internal club result	15,363	3,673
- Interest received	281	688
- Other income	59,672	55,642
	<u>273,882</u>	<u>301,774</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated, the following table shows this breakdown:

Timing of revenue recognition

- At a point in time	7,345,901	7,990,098
- Over time	36,740	49,622
	<u>7,382,641</u>	<u>8,039,720</u>

Revenue from contracts with customers

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

5 Result for the Year

	2024	2023
Note	\$	\$
Superannuation contributions	294,108	375,218

6 Income Tax Expense

Reconciliation of income tax to accounting profit:

Prima facie tax payable on profit from ordinary activities before income tax at 25% (2023: 25%)	(234,296)	(329,699)
Add tax effect of:		
- Non-deductible member only income	31,806	87,925
- Differences between tax and accounting deductions for the year in relation to provisions and prepayments	(2,428)	(908)
	(204,918)	(242,682)
Less tax effect of:		
- Income and expenditure subject to mutuality not assessable	(204,918)	(242,682)
Income tax expense	-	-

7 Cash and Cash Equivalents

Cash on hand	156,424	183,812
Cash at bank	121,395	173,872
	277,819	357,684

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the balance sheet as follows:

Cash and cash equivalents		277,820	357,683
Bank overdrafts	14	(118,254)	(147,715)
Balance as per statement of cash flows		159,566	209,968

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

8 Trade and Other Receivables

		2024	2023
	Note	\$	\$
Trade receivables from contracts with customers		8,305	41,843
Provision for impairment	(a)	-	-
		<u>8,305</u>	<u>41,843</u>
Other receivables		3,924	8,999
		<u>12,229</u>	<u>50,842</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Impairment of receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses incorporate forward looking information.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings or when the trade receivables are over a number of years past due, whichever occurs first.

9 Inventories

Inventories - at cost		<u>60,173</u>	<u>77,910</u>
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Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Notes to the Financial Statements

For the Year Ended 30 June 2024

10 Assets Held for Sale

	2024	2023
	\$	\$
Property, plant and equipment [refer note 12(a)]	7,764,349	-
Right-of-use assets [refer note 11]	517,837	-
	<u>8,282,186</u>	<u>-</u>

(a) Movements in Carrying Amounts

Opening balance		
Transfer from property, plant and equipment	7,764,349	-
Transfer from right-of-use assets	517,837	-
Closing balance	<u>8,282,186</u>	<u>-</u>

As disclosed in note 1 the entity entered into a Memorandum of Understanding with the Milton Ulladulla Ex-Servos Club Limited to transfer the assets and liabilities of the organisation on 31 July 2024.

The valuation of the above property, plant and equipment assets and right-of-use assets is in accordance with the critical accounting estimate and judgement disclosed as note 3(a).

11 Leases

Company as a lessee

The Company has a leases over gaming machines and IT equipment. The Company has chosen not to apply AASB 16 to leases of intangible assets. Information relating to the leases in place and associated balances and transactions are provided below.

Terms and conditions of leases

Leases for plant and equipment is for periods up to 60 months with no option to renew.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

11 Leases

Right-of-use assets

Plant and
Equipment
\$

Year ended 30 June 2024

Balance at beginning of year	531,603
Additions to right-of-use assets	248,016
Disposals	(7,725)
Depreciation charge	(184,817)
Transfer to property, plant and equipment	(69,240)
Transfer to assets held for sale	(517,837)
Balance at end of year	-

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Company is a lessee are shown below:

	2024	2023
	\$	\$
Depreciation of right-of-use assets	(184,817)	(143,173)

Future Lease Payments

Future lease payments in relation to lease liabilities as at period end are as follows:

Within one year	419,454	231,493
Later than one year but not later than five years	-	168,967
	419,454	400,460

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

12 Property, Plant and Equipment

	2024	2023
	\$	\$
Land and buildings		
At cost	-	11,024,814
Accumulated depreciation	-	(3,562,935)
	<u>-</u>	<u>7,461,879</u>
Plant and equipment		
At cost	-	1,887,125
Accumulated depreciation	-	(1,493,568)
	<u>-</u>	<u>393,557</u>
Poker machines		
At cost	-	3,222,465
Accumulated depreciation	-	(2,643,433)
	<u>-</u>	<u>579,032</u>
Motor vehicles		
At cost	-	202,363
Accumulated depreciation	-	(192,530)
	<u>-</u>	<u>9,833</u>
Total property, plant and equipment	<u>-</u>	<u>8,444,301</u>

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

12 Property, Plant and Equipment

(a) Movements in Carrying Amounts

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

	Land and buildings	Plant and equipment	Poker machines	Motor vehicles	Total
	\$	\$	\$	\$	\$
Balance at the beginning of year	7,461,879	393,557	579,032	9,833	8,444,301
Additions	47,659	4,783	14,934	-	67,376
Disposals - written down value	(25,036)	(33,990)	(17,150)	(9,184)	(85,360)
Depreciation expense	(323,316)	(146,587)	(260,656)	(649)	(731,208)
Transfer from right of use assets	-	-	69,240	-	69,240
Transfer to assets held for sale	(7,161,186)	(217,763)	(385,400)	-	(7,764,349)
Balance at 30 June 2024	-	-	-	-	-

Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Notes to the Financial Statements

For the Year Ended 30 June 2024

12 Property, Plant and Equipment

(b) Core and non-core property

As required under section 41J of the Registered Clubs Act 1976, the Club is required to specify the core property and non-core properties owned as at the end of the financial year. Accordingly, the Board considers as core property the licensed premises from which the Company operates at Sunpatch Parade, Tomakin, including all freehold land referred to in the title deeds of the main licensed premises site (including the car parking area and the bowling greens, Lot 51 of DP 593692 and Lot 1 of DP 857076).

13 Trade and Other Payables

	2024	2023
	\$	\$
Trade payables	721,638	465,159
Contract liabilities	-	109,187
Other payables	286,853	394,336
	<u>1,008,491</u>	<u>968,682</u>

14 Borrowings

CURRENT

Secured liabilities:

Bank overdraft	118,254	147,715
Borrowings	3,612,964	3,454,127
	<u>3,731,218</u>	<u>3,601,842</u>

Lease liabilities are secured by the underlying leased assets.

Tomakin Sports and Social Club Limited

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Notes to the Financial Statements

For the Year Ended 30 June 2024

14 Borrowings

Bank loans and bank overdrafts are secured by a First Registered Mortgage over the property situated at Sunpatch Parade, Tomakin and a first registered equitable mortgage over the whole of the Company's assets and undertakings, including uncalled capital.

15 Employee Benefits

	2024	2023
	\$	\$
CURRENT		
Provision for employee benefits	344,718	392,656
Long service leave	43,586	-
	<u>388,304</u>	<u>392,656</u>
NON-CURRENT		
Long service leave	-	67,376
		<u>67,376</u>

16 Interests of Key Management Personnel

Total remuneration paid to key management personnel of the Company was \$189,098 (2023: \$ 168,989).

17 Auditors' Remuneration

Remuneration of the auditor Daley Audit, for:

- auditing of financial statements	18,050	17,000
- other services*	41,010	29,020
	<u>59,060</u>	<u>46,020</u>

*Other services are for accounting, secretarial and tax services.

18 Contingent Liabilities and Contingent Assets

In the opinion of the directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023: None).

Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Notes to the Financial Statements

For the Year Ended 30 June 2024

19 Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

20 Events after the end of the Reporting Period

The financial report was authorised for issue on 11 November 2024 by the Board of Directors.

Subsequent to year end, in accordance with the Memorandum of Understanding with the Milton Ulladulla Ex-Servos Club Limited, the assets and liabilities of the Club transferred over to the Milton Ulladulla Ex-Servos Club Limited on 31 July 2024. Refer note 1 for further details.

There has not been any other matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

21 Statutory Information

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

71 Sunpatch Parade
Tomakin NSW 2537

22 Consolidated Entity Disclosure Statement

Tomakin Sports & Social Club Limited does not have any controlled entities and is therefore not required by the Australian Accounting Standards to prepare consolidated financial statements. Therefore, Section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

Tomakin Sports and Social Club Limited

ABN 84 001 383 142

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 1 to 31, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the Company.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



K Francis
President

Dated: 11 November 2024

Independent Auditor's Report to the members of Tomakin Sports and Social Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tomakin Sports and Social Club Limited ("the Company"), which comprises the balance sheet as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Wollongong

PO Box 333
Wollongong NSW 2520
02 4229 6477

✉ wollongong@daley.com.au

Bowral

PO Box 1032
Bowral NSW 2576
02 4862 1082

✉ bowral@daley.com.au

Sydney

PO Box 903
Sydney NSW 2001
02 8236 8177

✉ sydney@daley.com.au

daley.com.au

ABN 43 152 844 291

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Scheme approved under
Professional Standards
Legislation.



Independent Auditor's Report to the members of Tomakin Sports and Social Club Limited

Emphasis of Matter – Liquidation Basis

We draw attention to the following notes to the financial report: note 1: *basis of preparation* and note 3(a): *critical judgement and estimate – liquidation basis of accounting*. These notes state that the financial report has been prepared upon a liquidation basis, given that the Company has entered into a Memorandum of Understanding to amalgamate and transfer all assets and liabilities, effective 31 July 2024 and has ceased trading, with the intention of winding of the Company. Our opinion is not modified in respect of this matter.

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

The Directors are responsible for the other information. The other information is the directors report for the year ended 30 June 2024, but does not include the financial report and auditor's report thereon accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

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

In preparing the financial report, the Directors are responsible for assessing the 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.



Independent Auditor's Report to the members of Tomakin Sports and Social Club Limited

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in black ink, appearing to read "Daley & Co".

Daley & Co
Chartered Accountants

A handwritten signature in black ink, appearing to read "Stephen Milgate".

Stephen Milgate
Partner

Wollongong

Dated: 11 November 2024

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TOMAKIN SPORTS & SOCIAL CLUB

ABN: 84 001 383 142

EMAIL: RECEPTION@TOMAKINCLUB.COM.AU