



The Balmoral Beach Club Limited

ABN 79 000 016 633

**Financial Report
For the year ended 30 April 2021**

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Directors' Report

The Directors submit herewith the annual financial report of the consolidated entity, being The Balmoral Beach Club (the 'Company' or the 'Club') and its controlled entity (the 'Group') for the year ended 30 April 2021 and the Independent Audit Report thereon:

Information about the directors

Set out below is a list of each director who held office during the year up to the date of this report and the number of meetings they attended during the Club's financial year:

	Total possible	Total attendance
Cathy Mackay	12	12
David Hosking	12	10
Ian Philipps	8	7
Stephen Ryan	8	8
Traicha Jandera	12	11
Garry O'Sullivan	12	11
Karen Panaretto	12	11
Andrew Bremmer	12	11
Julie Coates	12	11
Ross Boakes	4	2
Richard Morath	4	3

Review of operations

The Consolidated deficit for the year was \$74,748 Included in the Consolidated Financial Performance are the results of both BBC ("The Club") and BBC Events.

BBC Events includes the financial results of the Nippers, Balmoral Swim and 2/4/6 Swim. BBC Events recorded a deficit of \$92,554. This deficit is in line with expectation as it was decided to waive the registration fee for the 2021 season given the uncertainty and restrictions due to COVID. Once a program was established, the usual running costs (safety, training, website, depreciation etc) were incurred. There is no concern with the underlying solvency of BBC Events as a retained surplus has been accumulated since the establishment of the entity.

The Club recorded a Net Surplus for the year ending 30 April 2021 of \$17,806. This includes the impact of The Club being required to adopt a new Accounting Standard (AASB 15) in relation to the new members joining fee. There is no concern with the solvency or underlying earnings of the Club. The Underlying Surplus is \$119,654 and to assist the Members set out below is the Underlying Surplus pre the adoption of the Standard:

	BBC Consolidated	The Club
Reported Surplus (Deficit) for the year ended 30 April 2021	(\$74,748)	\$17,806
Add Joining Fees Received	\$114,222	\$114,222
Less Joining Fees Recognised	(\$12,374)	(\$12,374)
Underlying Surplus for the year ended 30 April 2021	\$27,060	\$119,654

Year on year comparisons are distorted due to the impact of COVID 19. The 2020 results reflected the sharp fall in investment returns, which have more than recovered in 2021. Further, the premises and all activities were closed for three months to comply with the NSW Government's Public Health Order. In light of this closure, running costs were lower for the full year offset and annual subscriptions were reduced by 25% across all membership categories for the year ended 30 April 2021.

Objectives and Strategies

The objectives of the Group are to promote swimming, beach sport and other activities for the benefit of members and invited guests, including the conduct of races, competitions and carnivals for such purposes. The strategy to achieve the above is embodied in an annual program of events for fifty-two weeks of the year, embracing swimming and athletics, juniors and adults, other members and the Mosman community.

Principal activities

The principal activities of the Group include: the fifty-two week program of events plus secondary activities including Yoga, Bridge, and other activities including attendant functions to support these events. These activities meet the strategies of the company and are unchanged from the previous financial year.

Performance measurement

The Group's key performance indicator is the maintenance of membership numbers which are steady at approximately two thousand-three hundred members, with a waiting list. The second performance indicator is financial sustainability which is measured by comparison of financial results with budget and by maintenance of adequate reserves to meet future commitments. These are reviewed at board meetings. The Group operated at a surplus, excluding investment income, has positive liquidity, and adequate working capital and reserves for future needs.

Members' Guarantee

The liability of members is limited and each member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he or she is a member or within one year after he or she ceases to be a member for payment of the debts and liabilities of the Company contracted before the time at which he or she ceases to be a member and of the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding two hundred Dollars (\$200).

Auditors Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is included in page 5 of this financial report and forms part of the Board Report.

Signed in accordance with a resolution of the Board.


President


Treasurer

Dated 12 July 2021

Auditor's Independence Declaration

To the Directors of The Balmoral Beach Club Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of The Balmoral Beach Club Limited for the year ended 30 April 2021, I declare that, to the best of my knowledge and belief, there have been:

1. no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
2. no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



James Winter
Partner – Audit & Assurance

Sydney, 12 July 2021

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	2021 \$	2020 \$
Income			
Revenue from operations	3	812,378	1,166,937
Other investment and interest income	3	167,411	36
Total Income		979,789	1,166,973
Expenditure			
Administration		61,618	60,991
Bank charges		9,899	13,105
Balmoral swim for cancer disbursement		164,483	41,013
Melanoma Institute donation		18,140	9,658
Balmoral swim expenses		3,093	9,901
Support expenses		28,778	52,094
Cleaning and gardening		69,164	87,785
Computer and website costs		68,542	104,059
Depreciation		256,867	260,199
Gas and electricity		37,040	36,047
Guest services		73,798	72,807
Insurance		34,216	63,261
Lifeguards and safety		51,799	62,804
Nippers apparel and equipment		13,730	79,304
Printing and stationery		1,320	828
Rates and taxes		23,576	25,815
Repairs and maintenance expenses		57,640	19,363
Net realised and unrealised loss on revaluation of investments held at fair value		-	25,179
Other		80,834	156,009
Total Expenditure		1,054,537	1,180,222
Surplus (deficit) for the year		(74,748)	(13,249)
Other comprehensive income			
Revaluation of Club land per increase in Valuer General valuation		-	400,000
Total comprehensive income (deficit) for the year		(74,748)	386,751

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

	Notes	2021 \$	2020 \$
Assets			
Current			
Cash and cash equivalents	4	674,292	467,701
Receivables and other current assets	5	36,161	14,307
Total current assets		710,453	482,008
Non-current			
Financial assets	6	1,148,967	872,560
Property, plant and equipment	7	5,436,862	5,684,486
Total non-current assets		6,585,829	6,557,046
Total assets		7,296,282	7,039,054
Liabilities			
Current			
Trade and other payables	8	198,001	39,478
Contract liabilities and other revenue received in advance	9	488,646	315,193
Total current liabilities		686,647	354,671
Total liabilities		686,647	354,671
Net assets		6,609,635	6,684,383
Funds			
Reserves		3,305,607	3,029,200
Accumulated funds		3,304,028	3,655,183
Total funds		6,609,635	6,684,383

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Funds

	Asset revaluation reserve \$	Building fund reserve \$	Accumulated funds \$	Total funds \$
Balance at 1 May 2019	1,756,640	1,397,739	3,143,253	6,297,632
Deficit for the year	-	-	(13,249)	(13,249)
<i>Other comprehensive income</i>	-	-	-	-
Revaluation of land	400,000	-	-	400,000
Transfer to / (from) reserves	-	(525,179)	525,179	-
Balance at 30 April 2020	2,156,640	872,560	3,655,183	6,684,383
Balance at 1 May 2020	2,156,640	872,560	3,655,183	6,684,383
Deficit for the year	-	-	(74,748)	(74,748)
<i>Other comprehensive income</i>	-	-	-	-
Transfer to / (from) reserves	-	276,407	(276,407)	-
Balance at 30 April 2021	2,156,640	1,148,967	3,304,028	6,609,635

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

	Notes	2021	2020
		\$	\$
Operating services			
Receipts from members, nippers swimmers, sponsors and supporters, donors, events and other activities		1,045,215	1,386,947
Payments for supplies and services, and of donations		(720,385)	(1,034,568)
Interest received		4	36
Net cash provided by operating activities	10	324,834	352,415
Investing activities			
Payments for property, plant and equipment		(9,243)	(871,675)
Payments for investments net of proceeds received		(109,000)	500,000
Net cash provided by/(used in) investing activities		(118,243)	(371,675)
Net change in cash and cash equivalents		206,591	(19,260)
Cash and cash equivalents, beginning of year		467,701	486,961
Cash and cash equivalents, end of year	4	674,292	467,701

This statement should be read in conjunction with the notes to the financial statements.

Notes to the financial statements

1 Nature of operations

The Balmoral Beach Club Limited is a public company limited by guarantee, incorporated in Australia and operated in Sydney. The Group's principal activities are swimming, athletics and a recreational club. The consolidated entity is a not-for-profit entity. The registered office of the company is Level 2, 357 Military Road, Mosman 2088 NSW and the principal place of operations is 6 The Esplanade, Balmoral Beach 2088.

The consolidated financial statements comprise The Balmoral Beach Club Limited ('BBC') and its wholly owned subsidiary Balmoral Beach Club Events Pty Limited ('BBCE'), and were authorised for issue in accordance with a resolution of the directors on 12 July 2021.

2 Significant accounting policies

2.1 Basis of preparation of financial report

The consolidated general purpose-reduced disclosure- financial statements of the Group have been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption. The general purpose – reduced disclosure financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The Group financial statements consolidate those of the parent company and its subsidiary as of 30 April 2021. BBC is the sole shareholder of BBCE and directors of BBCE must also be members of BBC. BBCE's constitution prohibits it from paying dividends. BBCE, the wholly owned subsidiary, also has a reporting date of 30 April 2021.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of the subsidiary have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

2.2 Revenue recognition

(i) Revenue recognition policy for revenue from contracts with customers (AASB 15)

AASB 15 requires revenue to be recognised when control of a promised good or service is passed to the service recipient at an amount which reflects the expected consideration.

Revenue is recognised under AASB 15 when the performance obligations in a service arrangement are sufficiently specific to identify satisfaction of those obligations. Under AASB 15 revenue is recognised when performance obligations are satisfied.

When amounts of income are received, other than investment income, that are not subject to specific performance obligations, they are generally recognised immediately in profit and loss under AASB 1058 Income of Not-for-profit Entities.

Income streams recognised under AASB 15 will include membership fees, event charges, and certain sponsorships that are enforceable and with specific performance obligations.

Note 2 – Significant accounting policies (cont'd)

Membership fees

Annual membership fees Donations and bequests

Annual membership fees are received for the membership year which is the financial year of the Club. Annual membership fees and registrations are brought to account over the membership year on a time basis.

New Member joining fees

New Member joining fees are initially deferred and recognised in income over an estimate of the member's expected membership of the Club. The average tenure of the Club's members is approximately twenty years and a twenty year recognition basis has been applied over which period the fees will now be recognised.

Sponsorships

Sponsorships with documented, specific performance obligations are assessed as being accounted for under AASB 15, and recognised in income as the performance obligations are met. Sponsorships not subject to specific performance obligations will be recognised in accordance with AAAB 1058 when received.

(ii) Revenue recognition policy for revenue streams which are either not enforceable or do not have sufficiently specific performance obligations (AASB 1058)

Amounts of income for which there are not enforceable or not sufficiently sufficient specific performance obligations are recognised under AASB 1058 when received.

Revenue from fundraising

Donations and bequests

Donations and fundraising income is recognised as revenue when the company gains control of the asset.

Volunteer Services and In-kind donations

Services donated by volunteers, and goods and facilities donated have not been recognised, as the fair value of such services and non-cash donations is not reliably measurable.

Capital grants

Capital grants received under an enforceable agreement to enable the company to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the company (once complete) are recognised as revenue as and when the obligation to construct or purchase is completed.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the company.

Note 2 – Significant accounting policies (cont'd)

Other grant income

Assets arising from grants in the scope of AASB 1058 are recognised at their fair value when the asset is received. These assets are generally cash but maybe property which has been donated or sold to the company at significantly below its fair value. Once the asset has been recognised, the Company recognises any related liability amounts (e.g. provisions, financial liabilities), and following the assets and liabilities have been recognised then income is recognised for any difference between the recorded asset and liability.

Income from investments

Dividends and distributions from investments

Dividends and distributions from investments are received from financial assets measured at fair value through other profit and loss, and are recognised as other income in profit or loss when the right to receive payment is established.

Interest

Interest income on financial assets at amortised cost and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income.

(iii) Significant estimates and judgements relating to revenue

For sponsorship arrangements, the determination of whether the arrangements include sufficiently specific performance obligations is a significant judgement. Such consideration includes an assessment of the documented agreement and consideration of how the parties apply and interpret the arrangements. Sponsorships have been accounted for under both AASB 15. If this determination was changed then the revenue recognition pattern would be different from that recognised in this financial report.

2.3 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

2.4 Property, plant and equipment

Land

Land held for use of the Club's activities is stated at re-valued amounts. Re-valued amounts are based upon the directors' valuation using the latest Valuer General's valuation based on the specialised zoning and use of the site.

Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Note 2 – Significant accounting policies (cont'd)

Buildings, plant and other equipment

Buildings, plant and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the company.

Buildings, plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of buildings, plant and other equipment, at the following rates reflecting the depreciation over the estimated useful lives:

- Building: 4%
- Plant & equipment: 20% - 33%
- Sound equipment: 20%
- Computer systems: 20% - 33%
- Furniture, fixture & fittings: 20%

Material residual value estimates and estimates of useful life are updated as required, but at least annually. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

2.5 Impairment testing of property, plant and equipment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs of disposal and value in use. Depreciated replacement cost is used to determine value in use where the assets are not held principally for cash generating purpose and would be replaced if the organisation was deprived of it. Depreciated replacement cost is the current replacement cost of a time of plant and equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. Value in use for all other assets is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit and loss and other comprehensive income.

Note 2 – Significant accounting policies (cont'd)

2.6 Financial assets

Recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Impairment of financial assets

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assesses impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Note 2 – Significant accounting policies (cont'd)

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

2.7 Income taxes

No provision for income tax has been raised as the Balmoral Beach Club is considered exempt from income tax under Div. 50 of the *Income Tax Assessment Act 1997*.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.9 Provisions, contingent liabilities and contingent assets

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material. Any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

2.10 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

2.11 Funds and reserves

Accumulated funds

The movement in accumulated funds represents the surplus or deficit for the year.

Note 2 – Significant accounting policies (cont'd)

Building Fund Reserve

In accordance with a resolution of the Directors, each year joining fees from new members, building fund donations, and investment income, net of increases (decreases) in the value of investments is normally transferred to the Building Fund Reserve. This reserve has been established with the objective of funding the substantial refurbishment or rebuilding of the Clubhouse in the future. This year, the Building Fund Reserve increased by \$276,407 as a result of these amounts being transferred and no utilisation of the funds during the year.

Significant management judgement in applying accounting policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Revenue recognition

Under AASB 15, the Group makes judgements in determining when it has satisfied the performance obligations and thereby when it is able to recognise revenue from any of its contracts where it may have sufficiently specific performance obligations. Similarly, under AASB 1058, where the consideration for the asset being received is significantly less than fair value (principally to further the Group's objectives), income is recognised as the residual of the difference between the fair value of the asset recognised and the consideration for that asset, after deducting any other related amounts. In such circumstances, the Group assesses and makes a judgement of the fair value of any consideration provided. Refer also Note 2.3(iii).

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

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 software and IT equipment.

3 Revenue

	2021	2020
	\$	\$
Revenue		
<i>Income subject to specific performance obligations</i>		
Membership subscriptions	525,629	695,163
New Member joining fees	12,374	6,387
Registrations – BBCE	36,934	162,326
Sponsorships – BBCE	38,600	124,745
Other revenue	45,196	73,001
<i>Other Not-for-profit income</i>		
Donations	153,645	105,315
	812,378	1,166,937
Other income		
Interest income	4	36
Investment income – distributions, net realised and unrealised gain on revaluation of investments held at fair value (relating to investments disclosed at Note 6)	167,407 (25,179)	- 79,678
	167,411	36

4 Cash and cash equivalents

	2021	2020
	\$	\$
Cash at bank and on deposit	674,292	467,701
Total cash and cash equivalents	674,292	467,701

5 Receivables and other current assets

	2021	2020
	\$	\$
Other receivables and prepayments	25,314	-
GST receivable	10,847	14,307
Total receivables	36,161	14,307

6 Financial assets

	2021	2020
	\$	\$
Investments held with BT (Listed Australian and international shares, managed funds and cash) - at fair value through profit or loss	1,148,967	872,560
Total financial assets	1,148,967	872,560

The investments include funds accumulated and disclosed in the Building Fund Reserve.

7 Property, plant and equipment

	2021	2020
	\$	\$
Freehold land		
Directors' Valuation (a) – at revalued amount	2,160,000	2,160,000
Total freehold land	2,160,000	2,160,000
Building Improvements		
Cost	4,913,904	4,904,661
Accumulated depreciation	(1,739,020)	(1,500,184)
Total building improvements	3,174,884	3,404,477
Sound equipment		
Cost	35,618	35,618
Accumulated depreciation	(35,618)	(35,618)
Total sound equipment	-	-
Furniture & fittings		
Cost	238,978	238,978
Accumulated depreciation	(197,373)	(194,272)
Total furniture & fittings	41,605	44,706
Plant & equipment		
Cost	267,921	267,921
Accumulated depreciation	(266,706)	(266,030)
Total plant & equipment	1,215	1,891
Computer systems		
Cost	241,586	241,586
Accumulated depreciation	(182,438)	(168,174)
Total computer equipment	59,148	73,412
Total property, plant and equipment	5,436,862	5,684,486

(a) Directors' valuation of the Club's Balmoral land was reassessed during the year by reference to a Valuer General's valuation assessment at 1 July 2019 of \$2,160,000. This land upon which is the Club premises, has a special uses zoning.

8 Trade and other payables

	2021	2020
	\$	\$
Current:		
Payables and creditors	198,001	39,478
Total trade and other payables	198,001	39,478

9 Contract liabilities and other revenue received in advance

	2021	2020
	\$	\$
Current:		
New Members joining fees deferred	228,724	121,354
Membership subscriptions paid in advance	259,922	174,789
Sponsorships deferred	-	19,050
Total contract liabilities and other revenue received in advance	488,646	315,193

10 Reconciliation of cash flows from operating activities

	2021	2020
	\$	\$
Cash flows from operating activities		
Net (deficit) / surplus for the year	(74,748)	(13,249)
<i>Non-cash flows in operating surplus:</i>		
Depreciation	256,867	260,199
Net unrealised gain / loss on investments	(167,407)	25,179
<i>Net changes in working capital:</i>		
Change in other receivables	(21,854)	4,040
Change in payables	331,976	76,246
Net cash from operating activities	324,834	352,415

11 Related party transactions

The company may have transactions with its subsidiary regarding that entity's activities, and these transactions will be at cost or at arm's length, and in the ordinary course of business.

Board members are members of the Club and may participate in the activities of the Club and its subsidiary and utilise the facilities of the Club on arm's length basis, on the same basis as all members of the Club and participants of activities of its subsidiary. Family members of the Board may be participants in activities of the Club and its subsidiary on an arm's length basis, on the same basis as all members of the Club and participants of activities of its subsidiary.

Otherwise, there were no related party transactions during the year.

The Board members of this entity and its subsidiary act in an honorary capacity and receive no remuneration.

There are no Key Management Personnel other than the Board.

12 Parent entity (Balmoral Beach Club) Information

Summary of Financial Information

The individual Statement of Financial Position for the parent entity (Balmoral Beach Club) indicate the following aggregate amounts:

	2021	2020
	\$	\$
Assets		
Current Assets	388,450	236,073
Non-current Assets	6,563,586	6,516,772
Total Assets	6,952,036	6,752,845
Liabilities		
Current Liabilities	504,187	322,802
Non-current Liabilities	-	-
Total Liabilities	504,187	322,802
Net Assets	6,447,849	6,430,043
Funds		
Accumulated funds	3,418,649	3,400,843
Reserves	3,029,200	3,029,200
Total Funds	6,447,849	6,430,043
Surplus/ (Deficit) for the year	17,806	(83,385)
Other Comprehensive income for the year	-	400,000
Total comprehensive income for the year	17,806	316,615

13 Commitments and Contingent liabilities

The company has no commitments or contingent liabilities at 30 April 2021 (2020: nil).

14 Post-reporting date events

Nil

15 Members' guarantee

The company is incorporated as a company limited by guarantee. The liability of members is limited and each member of the Club undertakes to contribute to the assets of the Club in the event of the same being wound up during the time that he or she is a member or within one year after he or she ceases to be a member for payment of the debts and liabilities of the Club contracted before the time at which he or she ceases to be a member and of the costs charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding two hundred Dollars (\$200). The amount that could be called up in the event of and for the purpose of a winding up at 30 April 2021 was \$445,200.

Directors' Declaration

The directors of The Balmoral Beach Club declare that:

1. The consolidated financial statements and notes, as set out on pages 6 to 20, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the consolidated financial position as at 30 April 2021 and of the consolidated financial performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that The Balmoral Beach Club 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.


President


Treasurer

Dated 12 July 2021

Independent Auditor's Report

To the Members of The Balmoral Beach Club Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of The Balmoral Beach Club Limited (the "Company") which comprises the consolidated statement of financial position as at 30 April 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in funds, consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration of the consolidated entity comprising The Balmoral Beach Club Limited and the entity it controlled throughout the financial year (the "Club").

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

1. giving a true and fair view of the Club's financial position as at 30 April 2021 and of its performance for the year ended on that date; and
2. complying with Australian Accounting Standards – Reduced Disclosure Requirements 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 Club in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. 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.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Club's annual report for the year ended 30 April 2021, but does not include the financial report and our auditor's report thereon.

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

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

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*. The Directors' responsibility also includes 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 Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

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

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

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

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

James Winter

James Winter
Partner – Audit & Assurance

Sydney, 12 July 2021