

Sandhurst Club Limited

ACN 083 181 364

Consolidated Financial Report

For the year ended 30 June 2024

Sandhurst Club Limited

ACN 083 181 364

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For the year ended 30 June 2024

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Sandhurst Club Limited

ACN 083 181,364

Directors Report

For the year ended 30 June 2024

Your directors present their report on Sandhurst Club Limited (the Company) and its Controlled Entities (the Group) for the financial year ended 30 June 2024.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Craig Allen	(Appointment date: 27/11/2023, Cease date: 10/08/2024)
Frank Artufel	(Cease date: 27/11/2023)
Lee Atkinson	(Appointment date: 15/08/2024)
Brenda Beekman	(Cease date: 20/03/2024)
Anthony Bibby	(Appointment date: 20/08/2024)
Amanda Gainard	(Cease date: 20/03/2024)
Donna Harris	(Appointment date: 27/08/2024)
Keith Hopkins MBE	(Appointment date: 27/11/2023)
Jeffrey Kerr	
Lisa-Monique Lee	(Appointment date: 27/11/2023, Cease date: 13/08/2024)
David Sinclair	(Cease date: 15/08/2024)
Danielle Story	(Appointment date: 26/08/2024)
Malcolm Thomson	(Cease date: 07/03/2024)
Robert van Raay	(Cease date: 27/11/2023)

Company Secretary

Sonia Joksimovic	(Cease date: 24/01/2024)
Lisa-Monique Lee	(Appointment date: 24/01/2024, Cease date: 13/08/2024)
Jeffrey Kerr	(Appointment date: 22/08/2024)

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

Principal Activities

The Group's principal activities have been the operation of the Golf Courses, Estate as well as the Clubhouse and Club Facilities situated at Sandhurst, Victoria.

No significant change in the nature of these activities occurred during the year.

Review of Operations

The loss of the Company for the financial year was \$675,614 (2023: loss of \$244,663).

Significant Changes in the State of Affairs

No significant changes in the Consolidated Group's state of affairs occurred during the financial year.

Likely Developments and Expected Results of Operations

The company expects to maintain the present status and level of operations

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Directors Report

For the year ended 30 June 2024

Events Subsequent to the End of the Reporting Period

The Company entered into a 5 year operating lease for additional administrative space for the period commencing 1 July 2024. The Company's lease liability (i.e., discounted future rental payments) as at 1 July 2024 is \$715,048.

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, of the Group's state of affairs in future financial years.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

Pursuant to Clause 8.1 of the Company's Constitution, the Company cannot pay or declare dividends.

Meetings of directors

The number of meetings held and attended by each Director of the Company during the financial period of this report were:

	Board of Directors Meetings		Finance & Governance Meetings	
	Number of meetings held whilst in office	Number of meetings attended	Number of meetings held whilst in office	Number of meetings attended
Craig Allen	8	7	5	4
Frank Artufel	5	3	1	-
Brenda Beekman	10	9	3	3
Amanda Gainard	10	8	-	-
Keith Hopkins MBE	8	8	-	-
Lisa-Monique Lee	8	8	5	5
Jeffrey Kerr	13	13	-	-
Robert van Raay	5	3	1	1
David Sinclair	13	13	-	-
Malcolm Thomson	9	9	-	-

Information on directors

Craig Allen (Appointment date: 27/11/2023, Cease date: 10/08/2024)

Qualifications BBus (Acc), CPA, CAANZ, IPA

Experience Long-term Sandhurst resident and golf member with 20 years on the estate. Served on CPA Australia's National Board and various community clubs. Over 35 years in accounting, taxation and business management with a focus on governance and financial management.

Special responsibilities Finance & Governance Committee Chair (appointed 17/01/2024, ceased 13/08/2024)

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Directors Report

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Information on directors (continued)

Frank Artufel	(Cease date: 27/11/2023)
Qualifications	DipComm, DipLaw
Experience	Held CFO roles with Companies operating in both the construction and hospitality industries. Managing Director of consultancy firm providing services in a corporate and brokerage capacity specialising in corporate re structure, strategic financial planning, and business modelling. Founder of Friends of Africa and member of the Victorian Chapter of the Edmund Rice Foundation.
Special responsibilities	Finance & Governance Committee Chair (ceased Chair 17/01/2024)
Lee Atkinson	(Appointment date: 15/08/2024)
Qualifications	MBV
Experience	Sandhurst community member for nearly 20 years. Company Director and licensed master builder with extensive project management and customer engagement experience. Has served on various committees and as a football director. Passionate about guiding the club's future direction.
Brenda Beekman	(Cease date: 20/03/2024)
Qualifications	GAICD, BMgt
Experience	Senior sales and operations leader across various industry sectors including: Building & Construction, Retail, Hospitality and Telecommunications. Specialist in business turnarounds, operational improvement and transformation programs.
Special responsibilities	Resident Committee and Finance & Governance Committee
Anthony Bibby	(Appointment date: 20/08/2024)
Qualifications	Electrical Fitter
Experience	Long standing Golf Member at Sandhurst for the past 20 Years and a Resident of the estate for the last 10 Years. Professionally, For the past 30 years I have remained CEO/Managing Director of a manufacturing company. Providing experience in business finance and development as well as managing a workforce around Australia.
Amanda Gainard	(Cease date: 20/03/2024)
Experience	Senior Change and Management Consultant across various industry sectors including: Not for Profit, Insurance, Banking, Retail, Telecommunications, Government. Specialist in operational excellence and transformation programs in complex corporate environments.
Special responsibilities	Golf Committee Representative and Deputy Board Chair (Ceased 04/03/2024)
Donna Harris	(Appointment date: 27/08/2024)
Experience	Sandhurst resident and golf member. 30 years golfing membership. Six years Eastern board director. Current casual director at Sandhurst. 7 years serving on Golf Committees.
Special responsibilities	Golf Committee, Women's Committee
Keith Hopkins MBE	(Appointment date: 27/11/2023)
Qualifications	FCA (lifetime), past IOD UK and STEP UK member.
Experience	42 years in accounting practice, partner for 35 years. Business and succession adviser with experience of marketing, selling, finance, legal, hospitality, customer relations and staff. Past Finance Director of a major Scottish golf club.
Special responsibilities	Board of Directors Chair (Appointed 04/03/2024)

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Directors Report

For the year ended 30 June 2024

Information on directors (continued)

Jeffrey Kerr

Qualifications BEng, MBA, LLM

Experience A professional engineer with over 30 years' experience working on major infrastructure projects. Owner and director of consulting firms based in Melbourne and New York specialising in providing consulting services on international project throughout Australia and Asia.

Special responsibilities Governance Working Group, Company Secretary (Appointment date: 22/08/2024)

Lisa Monique-Lee (Appointment date: 27/11/2023, Cease date: 13/08/2024)

Experience Lawyer and Sandhurst resident with extensive experience as a company secretary for profit and nonprofit organizations. Specializes in governance, compliance, and board operations. Expertise in corporate law, strategy, KPIs, and balancing commercial and community needs. Focused on transparency, accountability, and fostering open dialogue among stakeholders.

Special responsibilities Vice-Chair (Appointed 04/03/2024, ceased 13/08/2024), Company Secretary (Ceased 13/08/2024)

David Sinclair (Cease date 15/08/2024)

Qualifications MRICS, MAICD

Experience 40 plus years involvement within the property development industry. Owner/Director of an independent consultancy business for the past 25 years, specialising in the strategic structuring of major projects at the inception stage.

Special responsibilities Investment Working Group

Danielle Story (Appointment date: 26/08/2024)

Experience Over 40 years of extensive customer and member engagement, sales, marketing and reporting experience. CEO of a regional innovation hub. Co-founder (Company Director / Secretary) of national and regional member organisations. Specialist in customer and member engagement. CEO of regional NFP, Board Director and governance advocate. Proudly, a four year Sandhurst resident and keen golfer.

Malcolm Thomson (Cease date: 07/03/2024)

Experience An educational professional with years of experience in a range of educational roles. Previously hospitality small business owner and operator. Experienced architectural designer and business owner. General manager of a business incubator under State Government jurisdiction.

Special responsibilities Chair (Ceased 04/03/2024), Governance Working Group and Roads Transfer Working Group.

Robert van Raay (Cease date: 27/11/2023)

Qualifications FAPI(P&M), CPV, FRICS, MAICD, GradCert(EI)

Experience A 40-year career in professional services specialising in asset valuation and advisory. On the Panel of Examiners for the Australian Property Institute, and an APC Assessor and Counsellor with the Royal Institution of Chartered Surveyors. Additionally, 25 years' experience serving on not for profit and company boards, advisory and investment committees.

Special responsibilities Finance & Governance Committee Member (ceased 27/11/2023)

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Directors Report

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Information on directors (continued)

Company Secretary

Sonia Joksimovic (Cease date: 24/01/2024)

Qualifications BBus (Acc), GDAppFin, FCIS, FGIA, GAICD

Experience Qualified Chartered Secretary with fifteen years' experience across ASX listed, unlisted and private companies. Sonia runs her own Company, Boardroom Matters Pty Ltd and practices as a corporate consultant, providing governance advice and accounting support to various Company Boards. She is responsible for her clients' corporate governance framework, compliance, risk management and other commercial matters.

Options

There are no unissued shares under option as at the date of this report.

Proceedings on Behalf of the Company

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

Indemnification and insurance of officers and auditors

Under the Company's Constitution the Company indemnifies, to the extent permitted by law, each Officer of the Company against any liability incurred by that person as an Officer of the Company.

During the year, the Company paid a premium for Directors' and Officers' liability insurance policies, which cover all Directors and Officers of the Sandhurst group. Details of the nature of the liabilities covered, and the amount of the premium paid in respect of the Directors' and Officers' insurance policies, are not disclosed, as disclosure is prohibited under the terms of the insurance contracts.

Subject to the above, the Company has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Company indemnified them or made any relevant agreement for indemnifying them against a liability including costs and expenses in successfully defending legal proceedings; or paid or agreed to pay a premium for them in respect of a contract insuring against a liability for the costs or expenses to defend legal proceedings.

Controlled entity

The Company owns the entire Share Capital of Sandhurst Common Property Pty Limited. It does not operate and generated no profit this year.


Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 6.

This directors' report is signed in accordance with a resolution of the Board of Directors:

Director: 

Keith Hopkins

Director: 

Jeffrey Kerr

Date 21/10/2024



Accountants & Advisors

 Take the lead

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF SANDHURST CLUB
LIMITED**

As lead auditor, 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.

SW Audit

Chartered Accountants

Nick Michael

Partner

Melbourne, 21 October 2024

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Sandhurst Club Limited

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Consolidated Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2024

	Note	2024	2023
		\$	Restated \$
Revenue and other income	2	15,359,769	14,595,165
Administration expenses		(320,863)	(352,357)
Bad and doubtful debts		(239,687)	175,724
Cost of sales		(1,953,799)	(1,917,627)
Depreciation expenses		(429,615)	(435,543)
Employment costs		(6,044,019)	(5,645,368)
Golf course and estate maintenance		(4,552,707)	(4,227,831)
Golf expenses		(408,513)	(415,704)
Hospitality expenses		(258,789)	(234,195)
Interest expense		(51,168)	(14,507)
Professional fees		(210,314)	(345,654)
Security expenses		(552,481)	(506,714)
Other expenses		(1,013,428)	(920,052)
Loss before income tax		(675,614)	(244,663)
Income tax expense		-	-
Net loss after tax		(675,614)	(244,663)
Other comprehensive income		-	-
Total other comprehensive income		-	-
Total comprehensive loss		(675,614)	(244,663)

The accompanying notes form part of these financial statements

Sandhurst Club Limited

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Consolidated Statement of Financial Position

As at 30 June 2024

	Note	2024	2023
		\$	Restated \$
Assets			
Current Assets			
Cash and cash equivalents	4	2,026,290	2,740,643
Trade and other receivables	5	3,521,180	5,494,498
Inventories	6	192,410	338,212
Total current assets		5,739,880	8,573,353
Non-current assets			
Trade and other receivables	5	2,084,029	2,406,117
Property, plant and equipment	7	3,090,302	2,958,172
Total non-current assets		5,174,331	5,364,289
Total assets		10,914,211	13,937,642
Liabilities			
Current liabilities			
Trade and other payables	8	2,237,995	1,737,225
Provisions	11	274,405	262,055
Contract liabilities	10	5,281,363	6,768,349
Borrowings	9	490,525	446,079
Total current liabilities		8,284,288	9,213,708
Non-current liabilities			
Provisions	11	252,343	28,811
Borrowings	9	1,000	1,642,929
Total non-current liabilities		253,343	1,671,740
Total liabilities		8,537,631	10,885,448
Net assets		2,376,580	3,052,194
Equity			
Retained earnings		750,575	1,536,518
Asset management reserve		1,626,005	1,515,676
Total equity		2,376,580	3,052,194

The accompanying notes form part of these financial statements

Sandhurst Club Limited

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Consolidated Statement of Changes in Equity For the year ended 30 June 2024

	Retained earnings	Asset management reserve	Total
	\$	\$	\$
Balance at 1 July 2022	1,963,754	1,333,103	3,296,857
Comprehensive income			
Net loss after tax for the year (restated)	(244,663)	-	(244,663)
Other comprehensive income for the year	-	-	-
Transfer to sinking fund - members	(742,897)	742,897	-
Transfer from sinking fund - expenditure	560,324	(560,324)	-
Total comprehensive loss for the year	(427,236)	182,573	(244,663)
Balance at 30 June 2023 (restated)	1,536,518	1,515,676	3,052,194
Balance at 1 July 2023	1,536,518	1,515,676	3,052,194
Comprehensive income			
Net loss after tax for the year	(675,614)	-	(675,614)
Other comprehensive income for the year	-	-	-
Transfer to sinking fund - members	(643,915)	643,915	-
Transfer from sinking fund - expenditure	533,586	(533,586)	-
Total comprehensive loss for the year	(785,943)	110,329	(675,614)
Balance at 30 June 2024	750,575	1,626,005	2,376,580

The accompanying notes form part of these financial statements

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Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024	2023
		\$	\$
Cash flows from operating activities			
Receipts from customers		17,704,166	15,773,442
Payments to suppliers and employees		(16,136,695)	(16,310,091)
Interest paid		(51,168)	-
Net cash provided by/(used in) operating activities		1,516,303	(536,649)
Cash flows from investing activities			
Purchase of property, plant and equipment		(654,461)	(1,383,223)
Sale of property, plant and equipment		-	6,084
Net cash used in investing activities		(654,461)	(1,377,139)
Cash flows from financing activities			
Proceeds from external borrowings		-	1,500,000
Repayment of external borrowings		(1,499,000)	-
Repayment of hire purchase liabilities		(77,195)	(121,065)
Net cash (used in)/provided by financing activities		(1,576,195)	1,378,935
Net decrease in cash and cash equivalents held		(714,353)	(534,853)
Cash and cash equivalents at beginning of financial year		2,740,643	3,275,496
Cash and cash equivalents at end of financial year	4	2,026,290	2,740,643

The accompanying notes form part of these financial statements

Sandhurst Club Limited

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

The consolidated financial statements and notes represent those of Sandhurst Club Limited (the Company or the Parent Entity) and its Controlled Entities (the Group).

The separate financial statements of the Parent Entity, Sandhurst Club Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The consolidated financial statements were authorised for issue on the date of the directors' declaration.

1 Material accounting policy information

Basis of Preparation

These general purpose consolidated financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accrual 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.

a Income tax

The Company is assessable for income tax on the basis of the mutuality principle. For the year ended 30 June 2024, the Company's funds derived were not assessable for income tax purposes.

b Property, plant and equipment

All classes of property, plant and equipment are carried at cost less accumulated depreciation and impairment.

Depreciation

All assets are depreciated on a straight line basis over their useful lives to the Group, rates generally varying between 10% and 40%.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

c Financial instruments

The Group's financial instruments are initially measured at fair value +/- transactions costs, and are subsequently measured at amortised cost.

d Revenue recognition

Where the Group has a contract with a customer, the Group recognises revenue when or as it transfers control of goods or services to the customer. The Group accounts for an arrangement as a contract with a customer if the arrangement is enforceable and the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Details on satisfaction of performance obligations

- 1 Membership fees are recognised over the applicable membership year. Members may either pay the entire fee upfront or enter into a monthly payment plan arrangement.

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

1 Material accounting policy information (continued)

d Revenue recognition (continued)

Details on satisfaction of performance obligations (continued)

- 2 Estate, hospitality and sports revenue are satisfied at the point in time that the good or service is provided to the customer. Payment is required either at that point in time or within 30 days depending on the particular nature of the good or service provided.
- 3 Management fees are recognised over time as services are provided by the Group across the financial year. Payment is made when the other related entity is able to make payment.

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

All revenue is recognised at the point of sale/service recognition, and is sourced in Australia.

There are no unsatisfied performance obligations.

Interest revenue is recognised using the effective interest method.

All revenue is stated net of the amount of goods and service tax (GST) except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

e New accounting standards for application in future periods

On 1 July 2023, the Group adopted amendments to AASB 101 *Presentation of Financial Statements* that requires entities to disclose their material accounting policy information rather than their significant accounting policies.

f Going concern

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

The Group has a working capital deficiency of \$2,544,408 (2023: \$640,355). The Directors are of the view that the going concern basis of accounting is appropriate for the company. It has an overall net asset position. The liquid assets, supported by loan facilities, will allow the company to pay its debts as, and when, they fall due over the next 12 months.

As such:

- with the Group's receivables, being future revenue earnings from Residential and Golf Membership Subscription Fees,
- a profitable trading budget,
- an improved positive cashflow based on internal budgets, and
- the ability to defer future discretionary capital expenditure,

the Company will continue to operate within its cash availability over the next 12 months.

Based on the above factors the Directors believe that the going concern assumption is appropriate.

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

1 Material accounting policy information (continued)

g Prior period restatement

The Group has corrected its salaries and wages recharge to Sandhurst Sports Club Pty Ltd, a subsidiary of Sandhurst Holdings (Australia) Limited, due to a misclassification in the comparative period. The impact of which is disclosed below:

	As previously stated	Correction of error	As restated
	\$	\$	\$
Statement of profit or loss and other comprehensive income			
30-Jun-23			
Employment costs	(4,911,220)	(734,148)	(5,645,368)
Profit/(loss) before income tax	489,485	(734,148)	(244,663)
Net profit/(loss) after tax	489,485	(734,148)	(244,663)
Total comprehensive income/(loss)	489,485	(734,148)	(244,663)
Statement of financial position			
30-Jun-23			
Assets			
Non-current assets			
Trade and other receivables	3,140,265	(734,148)	2,406,117
Total non-current assets	6,098,437	(734,148)	5,364,289
Total assets	14,671,790	(734,148)	13,937,642
Net assets	3,786,342	(734,148)	3,052,194
Equity			
Retained earnings	2,270,666	(734,148)	1,536,518
Total equity	3,786,342	(734,148)	3,052,194

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Notes to the Consolidated Financial Statements For the year ended 30 June 2024

2 Revenue and other income

	2024	2023
	\$	\$
Revenue		
Residential membership fees	5,255,898	5,059,572
Golf membership subscription fees	4,148,953	4,070,050
Hospitality revenue	4,649,457	4,293,574
Sports revenue	725,219	726,386
Sports and SHAL recharged expenses	328,509	352,505
	<u>15,108,036</u>	<u>14,502,087</u>
Other income		
Other income - Sundry	251,733	91,521
Interest received	-	1,557
	<u>251,733</u>	<u>93,078</u>
	<u>15,359,769</u>	<u>14,595,165</u>
Timing of revenue recognition		
Point in time	15,108,036	14,502,087
Over time	-	-
	<u>15,108,036</u>	<u>14,502,087</u>

3 Profit/(loss) before income tax expense

Profit/(loss) before tax includes the following significant expenses:

Superannuation expense	467,205	487,980
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4 Cash and cash equivalents

Current		
Cash at bank	2,026,290	2,740,643
	<u>2,026,290</u>	<u>2,740,643</u>

5 Trade and other receivables

	2024	2023
	\$	Restated \$
Current		
Trade receivables	3,666,810	5,186,377
Provision for expected credit loss	(394,329)	(261,669)
Sundry debtors	248,699	476,639
GST receivable	-	93,151
	<u>3,521,180</u>	<u>5,494,498</u>
Non-current		
Receivable from Sandhurst Sports Club Pty Ltd	2,084,029	2,406,117
	<u>2,084,029</u>	<u>2,406,117</u>

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

6 Inventories

	2024	2023
	\$	\$
Current		
Stock - at cost	192,410	338,212
	<u>192,410</u>	<u>338,212</u>

7 Property, plant and equipment

Plant and equipment

Plant and equipment

Plant and equipment at cost	2,620,027	2,505,718
Accumulated depreciation	<u>(2,076,508)</u>	<u>(1,852,918)</u>
	<u>543,519</u>	652,800

Leasehold improvements

Leasehold improvements at cost	3,672,996	2,637,569
Accumulated depreciation	<u>(1,257,833)</u>	<u>(1,110,152)</u>
	<u>2,415,163</u>	1,527,417

Office equipment

Office equipment at cost	532,555	525,215
Accumulated depreciation	<u>(477,915)</u>	<u>(439,983)</u>
	<u>54,640</u>	85,232

Work in progress

Work in progress at cost	76,980	692,723
	<u>76,980</u>	<u>692,723</u>

Total property, plant and equipment	<u>3,090,302</u>	<u>2,958,172</u>
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a Movements in carrying amounts

	Leasehold Improvements	Plant and Equipment	Office Equipment	Work in Progress	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2023	1,527,417	652,800	85,232	692,723	2,958,172
Additions	-	99,419	7,340	547,702	654,461
Disposals	-	-	-	(92,716)	(92,716)
Transfers	1,035,427	35,302	-	(1,070,729)	-
Depreciation	(147,681)	(244,002)	(37,932)	-	(429,615)
Balance at 30 June 2024	<u>2,415,163</u>	<u>543,519</u>	<u>54,640</u>	<u>76,980</u>	<u>3,090,302</u>

b Other information

Sandhurst Sports Club Pty Ltd has a lease with Sandhurst Club Limited to utilise the land and buildings from 1 May 2004 for a period of 50 years with four options for a further 10 years each. \$1 rent is payable by Sandhurst Club Limited in accordance with the lease agreement and as such no amount is required to be capitalised.

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Notes to the Consolidated Financial Statements For the year ended 30 June 2024

8 Trade and other payables

	2024	2023
	\$	\$
Current		
Trade payables	1,034,347	761,892
Accruals	202,461	378,729
GST payable	229,933	-
Other payables	771,254	596,604
	<u>2,237,995</u>	<u>1,737,225</u>

9 Borrowings

Current		
Loan - Sandhurst Holdings (Australia) Limited	337,168	358,456
Hire purchase liabilities	153,357	87,623
	<u>490,525</u>	<u>446,079</u>
Non-current		
Bank loan	1,000	1,500,000
Hire purchase liabilities	-	142,929
	<u>1,000</u>	<u>1,642,929</u>
	<u>491,525</u>	<u>2,089,008</u>

a Assets pledged as security

The bank holds security over all present and after acquired property for the Group and its related entities being Sandhurst Holdings (Australia) Limited and Sandhurst Sports Club Pty Ltd.

b Key terms and conditions of borrowings

The Group's loan is with a major Australian bank. The loan interest rate is 5.69% with monthly payments of interest through to 31 January 2026.

c Financial covenants

The loan has no financial covenants.

10 Contract liabilities

Current		
Prepaid subscriptions	4,955,329	5,794,733
Prepaid house and functions	326,034	973,616
	<u>5,281,363</u>	<u>6,768,349</u>

Sandhurst Club Limited

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Notes to the Consolidated Financial Statements For the year ended 30 June 2024

11 Provisions

	2024	2023
	\$	\$
Current		
Provision for annual leave	209,224	176,091
Provision for long service leave	65,181	85,964
	<u>274,405</u>	<u>262,055</u>
Non-current		
Provision for long service leave	42,343	28,811
Provision for road rectification works	210,000	-
	<u>252,343</u>	<u>28,811</u>
	<u>526,748</u>	<u>290,866</u>

12 Share capital

Sandhurst Club Limited is a public company limited by shares and guarantee. On winding up of the Company, the liability of shareholders will be the amount (if any) unpaid on their shares.

If surplus assets exist on winding up or dissolution, the same must be transferred to some other entity which has similar objects to Sandhurst Club Limited.

13 Related parties

The Directors of the Company are named in the Directors Report. The 5 current Sandhurst Club Limited Directors are Directors of Sandhurst Holdings (Australia) Limited. Lisa-Monique Lee and Malcolm Thomson are both also directors of Sandhurst Sports Club Pty Ltd and Sandhurst Common Property Pty Ltd.

Key management personnel compensation for the year ended 30 June 2024 is \$834,065 (30 June 2023: \$811,753).

During the year, the Group raised expense recharges with the following related entities on normal commercial terms and conditions:

	2024	2023
	\$	Restated \$
Entity		
Sandhurst Holdings (Australia) Limited	21,289	23,066
Sandhurst Sports Club Pty Ltd	214,171	204,315
	<u>235,460</u>	<u>227,381</u>

Normal operating expenses paid by Sandhurst Club Limited on behalf of any other Sandhurst entity are routinely passed through to that entity by accounting entry and are not included in the above numbers.

Outstanding balances with related parties at balance date are as follows:

Entity		
Payable to Sandhurst Holdings (Australia) Limited	(337,168)	(358,456)
Receivable from Sandhurst Sports Club Pty Ltd	2,084,029	2,406,117

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

14 Parent information

The following information has been extracted from the books and records of the financial information of the Company set out below and has been prepared in accordance with Australian Accounting Standards.

	2024	2023
	\$	\$
Statement of Financial Position		
Assets		
Current assets	5,739,880	8,573,353
Non-current assets	5,174,331	5,364,289
Total assets	10,914,211	13,937,642
Liabilities		
Current liabilities	8,284,288	9,213,708
Non-current liabilities	253,343	1,671,740
Total liabilities	8,537,631	10,885,448
Net assets	2,376,580	3,052,194
Equity		
Asset management reserve	1,626,005	1,515,676
Retained earnings	750,575	1,536,518
Total equity	2,376,580	3,052,194
Statement of Profit or Loss and Other Comprehensive Income		
Total profit/(loss)	(675,614)	(244,663)
Total comprehensive income/(loss)	(675,614)	(244,663)

Guarantees

The Company has not entered into any guarantees, in the current or previous financial years, in relation to the debts of its subsidiaries.

Contingent liabilities

The Directors engaged a tax expert to review the Company's and its related entities' compliance with the mutuality principle and application of the sporting club tax exemption. The Company and its related entities are seeking a private ruling from the ATO in relation to its tax status. The extent of any future liability is dependent on the ATO ruling.

Contractual commitments

The Company has no contractual commitments at 30 June 2024 (2023: Nil).

Sandhurst Club Limited

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Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

15 Interests in subsidiaries

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group	
		2024 %	2023 %
Sandhurst Common Property Pty Ltd	Australia	100	100
Sandhurst Common Property Trust	Australia	100	100

16 Auditor's remuneration

	2024 \$	2023 \$
Remuneration of the auditor for:		
- Auditing the financial statements	24,000	22,000
	<u>24,000</u>	<u>22,000</u>

17 Contingencies

The Directors engaged a tax expert to review the Group's and its related entities' compliance with the mutuality principle and application of the sporting club tax exemption. The Group and its related entities are seeking a private ruling from the ATO in relation to its tax status. The extent of any future liability is dependent on the ATO ruling.

18 Events after the reporting date

The Company entered into a 5 year operating lease for additional administrative space for the period commencing 1 July 2024. The Company's lease liability (i.e., discounted future rental payments) as at 1 July 2024 is \$715,048.

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, of the Group's state of affairs in future financial years.

19 Company details

The Group's registered office and principal place of business is:

Sandhurst Club Limited
75 Sandhurst Boulevard
Sandhurst VIC 3977

Sandhurst Club Limited

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Consolidated Entity Disclosure Statement

For the year ended 30 June 2024

Entity Name	Type of entity	Trustee, partner or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident	Foreign tax jurisdiction(s) of foreign residents
Sandhurst Club Limited	Australian Public Company	N/A	N/A	Australia	Australian	N/A
Sandhurst Common Property Pty Ltd	Australian Proprietary Company	Trustee	100	Australia	Australian	N/A
Sandhurst Common Property Trust	Trust	N/A	N/A	Australia	Australian	N/A

Sandhurst Club Limited

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Directors' Declaration

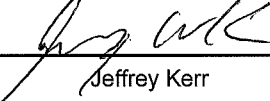
For the year ended 30 June 2024

In accordance with a resolution of the directors of Sandhurst Club Limited, the directors of the Company declare that:

- 1 The financial statements and notes, as set out on pages 7 to 20, are in accordance with the *Corporations Act 2001*
 - a comply with Australian Accounting Standards - Simplified Disclosures
 - 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, and
 - c The Consolidated Entity Disclosure Statement is true and correct.
- 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.

Director: 

Keith Hopkins

Director: 

Jeffrey Kerr

Date 21/10/2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SANDHURST CLUB LIMITED

Opinion

We have audited the financial report of Sandhurst Club Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- a. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended, and
- b. complying with Australian Accounting Standards – Simplified Disclosures and *the Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 Group's annual report for the year ended 30 June 2024, 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:

Brisbane
Level 15
240 Queen Street
Brisbane QLD 4000
T + 61 7 3085 0888

Melbourne
Level 10
530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 18
197 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 7, Aurora Place
88 Phillip Street
Sydney NSW 2000
T + 61 2 8059 6800



- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*, and
- b) the consolidated entity disclosure statement for being true and correct in accordance with the requirements of the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error and
- ii) the consolidated entity disclosure statement as true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or has 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 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 Group'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 Group'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 Group 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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



SW Audit

Chartered Accountants



Nick Michael
Partner

Melbourne, 21 October 2024