



North Shore Country Club and Residents' Association Inc.
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Not For Profit Association

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION
INC.

For the year ended 30 June 2022

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Committee's Report

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

Committee's Report

Your committee members submit the financial report of NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC. for the financial year ended 30 June 2022.

Committee Members

The names of committee members throughout the year and at the date of this report are:

Committee Member	Position
Larry Hirsch	President
John Ingram	Secretary
Tony O'Brien	Treasurer
Steve Armson Craig Barlow Simon Fellowes Chris May	Phillip Vinciullo James Wild Linda Firth (resigned 7 July 2022)

Principal Activities

The principal activities of the association during the financial year were the provision of social and sporting activities for the local community.

Significant Changes

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

Operating Result

The deficit for the financial year amounted to, as per below:

	2022	2021
Surplus/(Deficit) for the year ending 30 June		
Current Year Earnings	(97,795)	(1,559)

Signed in accordance with a resolution of the Members of the Committee on:



Larry Hirsch (President)

Date 21/09/2022



Tony O'Brien (Treasurer)

Date 21/09/2022

Income and Expenditure Statement

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

	2022	2021
Income		
House/Bar Gross Profit on Trading	113,667	110,780
Membership Fees	32,576	33,697
Rental Income	23,400	25,155
Venue Hire	14,327	12,526
Sponsorship Income (Net of Production Cost)	8,500	3,739
Other Revenue	2,500	2,290
Interest Income	283	4,566
COVID Income Support	-	25,318
Capital Grant Income	32,613	16,977
Sport Participation Fees	7,872	16,161
Total Income	235,738	251,209
Gross Surplus	235,738	251,209
Expenditure		
Club Premises Expenses	44,606	38,280
Maintenance	19,797	16,623
Advertising & Marketing	14,120	5,851
Salaries and Wages	66,163	52,625
Depreciation	88,853	89,408
Event Costs	29,569	12,089
Administration Expenses	18,799	13,957
Sport consumables and affiliation	7,146	9,077
Insurance	14,179	11,883
Consultancy Fees	30,300	2,975
Total Expenditure	333,533	252,768
Net Current Year Surplus/ (Deficit)	(97,795)	(1,559)

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Trading Statement

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

	NOTES	2022	2021
<u>House/Bar Gross Profit on Trading</u>			
Bar Trading			
Bar Sales		194,992	157,398
Closing Stock		4,818	3,753
Opening Stock		(3,753)	(3,605)
Purchases		(86,067)	(65,293)
Gross Profit		109,991	92,253
House Trading			
Event Income		3,676	16,843
Kitchen Trading		-	1,684
Total House Trading		3,676	18,527
Total House/Bar Gross Profit		113,667	110,780

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Assets and Liabilities Statement

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

As at 30 June 2022

	NOTES	30 JUN 2022	30 JUN 2021
Assets			
Current Assets			
Cash and Cash Equivalents	2	501,698	565,390
Trade and Other Receivables		2,750	-
Inventories		4,818	3,753
Total Current Assets		509,266	569,143
Non-Current Assets			
Clubhouse, Grounds and Sport Facilities	3	854,832	870,725
Total Non-Current Assets		854,832	870,725
Total Assets		1,364,098	1,439,868
Liabilities			
Current Liabilities			
Trade and Other Payables	4	16,599	19,585
GST Payable		433	83
Employee Entitlements		2,779	1,017
Total Current Liabilities		19,810	20,685
Other Current Liabilities			
Accrued Expenses		9,181	-
Income in Advance		16,636	2,918
Total Other Current Liabilities		25,817	2,918
Total Liabilities		45,627	23,603
Net Assets		1,318,470	1,416,265
Member's Funds			
Capital Reserve		1,318,470	1,416,265
Total Member's Funds		1,318,470	1,416,265

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Notes to the Financial Statements

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

1. Summary of Significant Accounting Policies

The financial statements are special purpose financial statements prepared in order to satisfy the financial reporting requirements of the Associations Incorporation Act of Western Australia. The committee has determined that the association is not a reporting entity.

In the opinion of the committee the association is not a reporting entity because it is not reasonable to expect the existence of users who rely on the association's general purpose financial statements for information useful to them for making and evaluating decisions about the allocation of resources.

The financial report has been prepared in accordance with the Associations Incorporations Act of Western Australia, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures.

The association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The association has not assessed whether these special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

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

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

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

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

Buildings, Clubhouse Improvements & Outside Sport Facility	10%
Fixtures & Fittings	20%

Impairment of Assets

At the end of each reporting period, the committee reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in the income and expenditure statement.

Employee Provisions

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions have been measured at the amounts expected to be paid when the liability is settled.

Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Cash on Hand

Cash on hand includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

If conditions are attached to the grant that must be satisfied before the association is eligible to receive the contribution, recognition of the grant as revenue will be deferred until those conditions are satisfied.

All revenue is stated net of the amount of goods and services tax.

Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

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 Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the assets and liabilities statement.

Accounts Payable and Other Payables

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period that remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Operating Grants, Donations and Bequests

When the association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards. The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest Income

Interest revenue is recognised using the effective interest rate method.

Income from Sale of Goods & Services

The association sells refreshments, memberships and associated items. Revenue is recognised when control of the products has transferred to the customer or in the case of membership, over the period of the membership subscription. Revenue is then only recognised to the extent that there is a high probability that a significant reversal of revenue will not occur. A receivable will be recognised when the goods are delivered. The association's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. All revenue is stated net of the amount of goods and services tax (GST).

In the comparative period

Non-reciprocal grant revenue was recognised in profit or loss when the association obtained control of the grant and it was probable that the economic benefits gained from the grant would flow to the entity and the amount of the grant could be measured reliably.

Donations and bequests were recognised as revenue when received.

Interest revenue was recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Rental income from operating leases was recognised on a straight-line basis over the term of the relevant leases.

Revenue from the rendering of a service was recognised upon the delivery of the service to the customer.

These notes should be read in conjunction with the attached compilation report.

	2022	2021
2. Cash on Hand		
Cash at Bank	249,864	313,726
Term Deposit	251,834	251,664
Total Cash on Hand	501,698	565,390
	2022	2021
3. Fixed Assets		
Clubhouse, Grounds and Sport Facilities		
Clubhouse Improvements		
Clubhouse Improvements	592,303	570,884
Less Accumulated Depreciation on Clubhouse Improvements	(299,950)	(244,324)
Total Clubhouse Improvement	292,353	326,560
Grounds Improvement		
Grounds Improvement	489,248	437,707
Less Accumulated Depreciation on Grounds Improvement	(34,493)	(27,496)
Total Grounds Improvement	454,755	410,211
Sport Facilities		
Sport Facilities	298,579	298,579
Less Accumulated Depreciation on Sports Facilities	(190,855)	(164,625)
Total Sport Facilities	107,724	133,954
Total Clubhouse, Grounds and Sport Facilities	854,832	870,725
	2022	2021
4. Trade and Other Payables		
Suppliers Payable and Credit Card		
Suppliers Payable	6,478	9,992
Total Suppliers Payable and Credit Card	6,478	9,992
Other Payables		
Rental Bond	8,561	8,561
PAYG Withholdings Payable	1,560	1,032
Total Other Payables	10,121	9,593
Total Trade and Other Payables	16,599	19,585

These notes should be read in conjunction with the attached compilation report.

Auditor's Report

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 30 JUNE 2022

To the members of North Shore Country Club and Resident's Association Inc.

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of North Shore Country Club and Resident's Association Inc. which comprises the Balance Sheet as at 30 June 2022, the Trading Account and Statement of Income and Expenditure for the year then ended, and the Management Committee declaration.

The responsibility of the Management Committee for the financial report

The Management Committee of the entity are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies used are appropriate to meet the financial reporting requirements of the constitution and are appropriate to meet the needs of the members. The Management Committee's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian auditing standards. These auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by those charged with governance, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the Management Committee's financial reporting responsibilities under the constitution. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

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

Dated: / /

Independence

In conducting our audit, we have complied with the independence requirements of the Australian professional accounting bodies.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of North Shore County Club and Resident's Association Inc. for the year ended 30 June 2022 included on North Shore County Club and Resident's Association Inc. website. The association's Management Committee are responsible for the integrity of North Shore County Club and Resident's Association Inc website. We have not been engaged to report on the integrity of North Shore County Club and Resident's Association Inc Club website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to / from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Qualification

Due to inadequate recordkeeping, our audit procedures with respect to bar sales and cash receipts had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion on the completeness of revenue.

The inadequate bookkeeping has also restricted the audit of the financial report of North Shore County Club and Resident's Association Inc. and, as such, we were unable to satisfy ourselves as to the completeness of the records which resulted in a further qualification.


This is the first year that the financial report of North Shore County Club and Resident's Association Inc has been subject to an audit and, as such, the comparative figures from the 2021 financial year have not been audited.

Qualified audit opinion

In our opinion, except for the effects on the financial report of such adjustments, if any, as might have been required had the limitation on our audit procedures referred to in the qualification paragraph not existed, the financial report presents fairly in accordance with the accounting policies, the financial position of North Shore County Club and Resident's Association Inc at 30 June 2022 and the results of its operations for the year then ended.

Charter Financial Services

Charter Financial Services



Barry P Levin
Partner

Dated: 21 September 2022

Auditor's Independence Declaration

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

CHARTER FINANCIAL SERVICES

ABN 81 77340114

CHARTERED ACCOUNTANTS & TAXATION AGENTS
REGISTERED COMPANY AUDITOR

Liability limited by a scheme approved under
Professional Standards Legislation

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE MEMBERS OF NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2022, 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.

Charter Financial Services

BARRY PHILIP LEVIN
Partner

CHARTER FINANCIAL SERVICES
Chartered Accountants

Dated at Perth this 21st day of September 2022

Director: Barry P. Levin C.A. ANZ, Grad Cert Tax (Cottier), Grad Qual Fin Tax (Cottier), 14 Cap Tax Law (Cottier), Registered Company Auditor No. 209704, SSA, SSAAd
Michael P. Reilly C.A. ANZ, FCCA, CTA, BA (Hons)
Bridget M. Brown C.A. ANZ, Affiliates CFA (ASA), BCom

A MEMBER OF THE CHARTER FINANCIAL GROUP

Yours Financially

Certificate By Members of the Committee

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

I, Larry Hirsch of 20 Tahiti Lane, Hillarys, WA, 6025 certify that:

1. I attended the annual general meeting of the association held on / / .
2. The financial statements for the year ended 30 June 2022 were submitted to the members of the association at its annual general meeting.

Dated: / /

Compilation Report

NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC.

For the year ended 30 June 2022

Compilation report to NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC..

We have compiled the accompanying special purpose financial statements of NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC., which comprise the asset and liabilities statement as at 30 June 2022, income and expenditure statement, the statement of cash flows, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Committee Member's

The committee of NORTH SHORE COUNTRY CLUB AND RESIDENTS' ASSOCIATION INC. are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the partners we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.



Australian Tax and Accounting

Leana Jonker - Director

Dated: 22/09/2022