

Annual Report 2023



ILLAWARRA MASTER BUILDERS CLUB LIMITED
ABN: 58 001 029 492
FOR THE YEAR ENDED 30 JUNE 2023

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**ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTICE OF ANNUAL GENERAL MEETING
FOR THE YEAR ENDED 30 JUNE 2023**

ANNUAL GENERAL MEETING 2023

NOTICE is hereby given of a General Meeting of **THE ILLAWARRA MASTER BUILDERS' CLUB LIMITED** to be held on Sunday 29 October 2023 commencing at 9.30am (**The Club will open at 9.00am only for those attending the AGM**) at the premises of the Club, Church Street, Wollongong, New South Wales.

Agenda

1. Present
 2. Apologies
 3. Minutes of previous annual meeting to be received
 4. Business arising from minutes
 5. Adoption of minutes
 6. Presidents report
 7. Auditors report and financial statements
 8. Appointment of auditors
 9. Election of Officers
 10. Consideration of the proposed ordinary resolution
 11. General Business
-

NOTICE OF PROPOSED ORDINARY RESOLUTION

Pursuant to the Registered Clubs Act the members hereby approve the following payments and benefits and agree that these payments and benefits are not available to members generally but only to those who are elected as members of the Committee of The Club and the other persons referred to below:

(a) The payment of the sum of \$10,000 to the Chairman of the Committee and the sum of \$1,000 to each of the other members of the Committee elected at the Annual General Meeting held on 23 October 2022

(b) The reasonable expenses incurred by members of the Committee for travelling in relation to their duties as members of the Committee and as approved by the Committee from time to time provided such expenses are supported by the production of invoices, receipts or other documentary evidence of such expenditure.

(c) The reasonable cost of members of the Committee attending the Annual General Meeting and Trade Conference of Clubs NSW or other seminars, lectures, trade displays and other similar events as may be determined by the Committee from time to time.

(d) The reasonable cost of members of the Committee attending other registered Clubs for the purpose of viewing and assessing the facilities of those clubs and methods of operation, provided such attendances are approved by the Committee as being necessary in the interests of the Club.

(e) The provision of a suitably inscribed Club blazer and uniform for each member of the Committee.

(f) Each member of the Committee is entitled to the use of a designated car parking space in the Club's car park.

(g) The reasonable cost of a meal and refreshments for each member of the Committee immediately before, during or immediately after a Committee meeting.

(h) The reasonable costs of each member of the Committee and their spouse/partner attending Dinners and other Club or Industry Functions where appropriate and required to represent the Club.

(i) The reasonable costs of each Honorary Life Member and member of the Committee and their spouse/partner attending an Annual Dinner at the Club.

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
MINUTES OF 2022 ANNUAL GENERAL MEETING**

MINUTES OF ANNUAL GENERAL MEETING HELD SUNDAY 23rd OCTOBER 2022

PRESENT	69 eligible members
APOLOGIES	Rik McCann Moved Roseanne Ward (633) and Seconded Vince Weine (13625) that apology be accepted
MINUTES OF PREVIOUS AGM	Minutes of Previous Annual General Meeting presented. Moved John smith (4175) and Seconded Mark Waldock (17588) that the minutes of the 2021 Annual General Meeting be accepted.
BUSINESS ARISING	No business arising
PRESIDENTS REPORT	President presented his report. Moved Heather Pickering (11) and Seconded Larry Matthews (50) that the Presidents report be adopted.
AUDITORS REPORT & BALANCE SHEET	Moved Paul Ferguson (1593) and Seconded Val Leiner (8391) that the Auditors Report be adopted.
APPOINTMENT OF AUDITORS	Moved David Eddy (7) and Seconded Heather Pickering (11) that Ian Brown be re-appointed Auditor for the 2022/2023 year.

Proposed Resolution

Moved Karin Waldock (6650) and Seconded Larry Matthews (50) that:

Pursuant to the Registered Clubs Act the members hereby approve the following payments and benefits and agree that these payments and benefits are not available to members generally but only to those who are elected as members of the Committee of The Club and the other persons referred to below:

- (a) The payment of the sum of \$10,000 to the Chairman of the Committee and the sum of \$1,000 to each of the other members of the Committee elected at the Annual General Meeting held on 12 December 2021.
- (b) The reasonable expenses incurred by members of the Committee for travelling in relation to their duties as members of the Committee and as approved by the Committee from time to time provided such expenses are supported by the production of invoices, receipts or other documentary evidence of such expenditure.
- (c) The reasonable cost of members of the Committee attending the Annual General Meeting and Trade Conference of Clubs NSW or other seminars, lectures, trade displays and other similar events as may be determined by the Committee from time to time.
- (d) The reasonable cost of members of the Committee attending other registered Clubs for the purpose of viewing and assessing the facilities of those clubs and methods of operation, provided such attendances are approved by the Committee as being necessary in the interests of the Club.
- (e) The provision of a suitably inscribed Club blazer and uniform for each member of the Committee.
- (f) Each member of the Committee is entitled to the use of a designated car parking space in the Club's car park.
- (g) The reasonable cost of a meal and refreshments for each member of the Committee immediately before, during or immediately after a Committee meeting.
- (h) The reasonable costs of each member of the Committee and their spouse/partner attending Dinners and other Club or Industry Functions where appropriate and required to represent the Club.
- (i) The reasonable costs of each Honorary Life Member and member of the Committee and their spouse/partner attending an Annual Dinner at the Club.

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
MINUTES OF 2022 ANNUAL GENERAL MEETING**

SPECIAL RESOLUTION Moved Larry Matthews (50) and Seconded Heather Pickering (11) that the special resolutions be accepted as read with no against votes

ELECTION OF OFFICERS Under the triennial rule three positions are up for election from Group 1

President Brian Burns - elected unopposed
General Committee member - 2 nominations received for 1 position
Brian Dore & Peter Adlington

APPOINTMENT OF SCRUTINEERS Moved Val Leiner (8391) and Seconded Sandra Forst (10638) that Craig Dumbrell (11402) and Paul Ferguson (1593) be appointed scrutineers

President instructed members to now open their ballot papers.

Moved Kathryn Thornton (1374) and Seconded Elaine Hart (9749) that standing orders be put aside and that General Business be conducted until the results of the election were known.

GENERAL BUSINESS William Wilkins (10069) asked if we could get a sign placed up in the Club advising of the Bistro opening hours. Clubs General Manager advised that this can be done. He also expressed this gratitude to the President for showing his appreciation to the staff and he would also like to thank the staff as they have done an absolutely fantastic job.

ELECTION OF OFFICERS CONT. Chairman advised that the ballot results were completed and was won by Brian Dore (1392).

Moved Kaye Calvert (8936) and Seconded Kathryn Thornton (1374) that the ballot papers be destroyed.

MEETING CLOSED 10 AM

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
PRESIDENTS REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

It is with great pleasure that I present my presidents report for 2023.

Well after the pandemic that contributed to the club being closed for up to 6 months over the past 2 years, I am happy to report that this has been the first financial year in full that we have traded in the 'new' Builders Club layout.

I am pleased to report that we managed to achieve an EBITDA of over \$3.5 mil, for the year, a truly exceptional result.

On behalf of the board, I would like to thank General Manager Richard Bone and his management team, along with all staff for their continued dedication and hard work this past year.

Throughout this year, the club has continued its community support and has donated over \$150,000 to various local charities and sporting organisations. The list of these recipients can be located on the last page of this annual report.

Even though we have been fortunate enough to trade for the entire 12 months of this financial year, challenges remain for our club and our local community. With the ever-increasing cost of living, interest rate changes and increased supplier costs, we are grateful to our members for continually frequenting our venue in these uncertain times, and we are all committed to continually providing a club environment that is unrivalled.

At the time of writing this report, the clubs new function space 'The Loft' has been completed with many functions already booked

Also, the clubs newly revamped 'The Basement' is nearing completion and I am pleased to announce that with this re-opening, the club will again be able to offer more entertainment options such as live music and shows for its members to enjoy.

Finally, I would like to express my sincere condolences to all those that have lost loved ones this year, and to all those that have been unwell, I wish you a speedy recovery.

Your President

Brian Burns

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

The Board of Directors of Illawarra Master Builders Club Limited (hereafter referred to as "the Company") has pleasure in submitting the annual financial report for the year ending 30 June 2023.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name of Directors	Position	Occupation/Qualifications
B Burns	President	Builder
P Burns	Treasurer	Builder
J Carr	Snr Vice President	Retired Valuer
R McCann	Jnr Vice President	Builder
J Dowling	Director	Builder
P Leiner	Director	Hospitality
B Dore	Director	Retired
R Bone	General Manager	
G Fulcher	Operations Manager	

Company Secretary

The Company Secretary is Richard Bone. Richard was appointed to the position on 27 September 2013. Richard is the Company's General Manager.

Meetings of Directors

During the financial year, Ten (10) meetings of Directors were held. Attendances by each Director were as follows:

Directors	Number eligible to attend	Number attended
B Burns	10	10
P Burns	8	10
J Carr	9	10
R McCann	7	10
J Dowling	10	10
P Leiner	9	10
B Dore	10	10
Management		
R Bone	10	10
G Fulcher	3	3

Principal Activities

The principal activity of the Company during the course of the financial year was the operation of registered clubs. There were no significant changes in the nature of the activities of the Company during the year.

Operating Result

The surplus/(deficit) of the Company for the financial year after providing for income tax amounted to:

2023	2022* Restated
\$	\$
1,339,031	974,115

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2023**

Objectives

The objectives of the Company is to maintain, and continually develop, a modern social and entertainment venue providing a high level of service consistent with the expectations of members, guests and visitors to the Company.

To maintain the ongoing financial viability of the Company and to continue to support sporting activities and provide financial and in-kind support to other community and welfare organisations.

Strategy for achieving the objectives

The principal strategies of the Company include:

- Offering a broad range of entertainment and social activity;
- Maintaining high levels of customer service;
- Providing a safe and rewarding working environment for Club staff
- Pursuing new marketing opportunities; and
- Maximising return from property holdings

Performance measures

Performance is compared regularly against relevant industry and internal benchmarks to assess the performance of strategic initiatives, and to measure the effectiveness in achieving short and long term objectives.

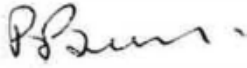
Contributions on winding up

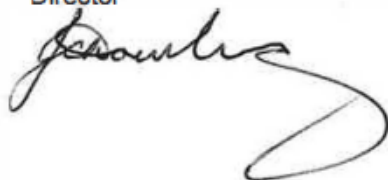
In the event of the company being wound up, ordinary members are required to contribute a maximum of \$2 each member.

The total amount that members of the Company are liable to contribute if the Company is wound up is \$25,156 based on 14,578 current ordinary members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.



Brian Burns
Director
Date: 29/8/23

John Dowling
Director


**ILLAWARRA MASTER BUILDERS CLUB LIMITED
AUDITOR'S INDEPENDENCE DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023**

To the Directors of Illawarra Master Builders Club Limited:

I declare that, to the best of my knowledge and beliefs, there have been no contraventions of any applicable code of professional conduct in relation to the audit.


Ben Fock
Registered Company Auditor
Wollongong
Date: *29-8-23*

hl**b.com.au**

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Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (Wollongong) Pty Ltd is a member of HLB International, the global advisory and accounting network.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023	2022* Restated
Revenue	2	19,703,843	12,678,690
Other Income	2	69,237	495,952
Bar & Catering Expense		(3,295,874)	(2,063,284)
Cleaning Expense		(372,592)	(243,242)
Consultancy Expense		(192,959)	(98,923)
Depreciation	3	(1,515,446)	(1,025,125)
Donations		(115,397)	(27,399)
Employee Benefits Expense		(6,374,822)	(4,267,046)
Finance Costs	3	(686,196)	(444,755)
Gaming Expense		(3,038,781)	(1,968,321)
Insurance Expense		(262,455)	(240,129)
Promotion Expense		(712,879)	(453,697)
Rental Expense		(47,131)	(41,927)
Repairs & Maintenance		(473,788)	(291,412)
Security Expense		(460,264)	(326,640)
Utilities Expense		(573,144)	(469,779)
General Expenses		(329,686)	(290,886)
		<hr/>	<hr/>
Surplus before income tax expense		1,321,666	922,078
Income Tax (expense)/refund	4	17,365	52,037
		<hr/>	<hr/>
Surplus after income tax expense for the year		1,339,031	974,115
		<hr/>	<hr/>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of land and buildings, net of tax		-	5,519,884
Other comprehensive income for the year, net of tax		-	5,519,884
		<hr/>	<hr/>
Total comprehensive income for the year		1,339,031	6,493,999
		<hr/>	<hr/>

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023	2022* Restated
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	5	618,089	1,511,291
Trade and Other Receivables	6	17,359	12,884
Inventories	7	280,308	290,093
Other Current Assets	8	111,010	322,469
TOTAL CURRENT ASSETS		<u>1,026,766</u>	<u>2,136,737</u>
NON-CURRENT ASSETS			
Property ,Plant & Equipment	9	52,088,680	49,162,964
Intangibles	10	207,411	207,411
TOTAL NON-CURRENT ASSETS		<u>52,296,091</u>	<u>49,370,375</u>
TOTAL ASSETS		<u>53,322,857</u>	<u>51,507,112</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other Payables	12	908,922	1,252,157
Financial Liabilities	13	1,485,583	507,996
Contract Liabilities	14	42,184	4,910
Employment Benefits	15	606,261	448,647
TOTAL CURRENT LIABILITIES		<u>3,042,950</u>	<u>2,213,710</u>
NON-CURRENT LIABILITIES			
Financial Liabilities	13	11,526,827	11,729,348
Contract Liabilities	14	52,839	169,304
Employment Benefits	15	51,558	85,098
TOTAL NON-CURRENT LIABILITIES		<u>11,631,224</u>	<u>11,983,750</u>
TOTAL LIABILITIES		<u>14,674,174</u>	<u>14,197,460</u>
NET ASSETS		<u>38,648,683</u>	<u>37,309,652</u>
EQUITY			
Asset Revaluation Reserve		15,211,997	15,211,997
Retained Surpluses		23,436,686	22,097,655
TOTAL EQUITY		<u>38,648,683</u>	<u>37,309,652</u>

The accompanying notes form part of these financial statements.

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Retained Surpluses	Asset Revaluation Reserve	Total Equity
Balance at 1 July 2021	21,391,434	9,692,113	31,083,547
Restated opening balance adjustment	(267,894)	-	(267,894)
Surplus after income tax expense for the year	974,115	-	974,115
Total comprehensive income for the year	-	5,519,884	5,519,884
Balance at 30 June 2022	<u>22,097,655</u>	<u>15,211,997</u>	<u>37,309,652</u>
Surplus after income tax expense for the year	1,339,031	-	1,339,031
Total comprehensive income for the year	-	-	-
Balance at 30 June 2023	<u>23,436,686</u>	<u>15,211,997</u>	<u>38,648,683</u>

Asset Revaluation Reserve

The reserve is used to recognise increments and decrements in the fair value of land and buildings, excluding investment properties.

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

		2023	2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members, Visitors and Government		19,679,633	13,127,914
Payments to Suppliers and Employees		(16,247,690)	(10,864,801)
Interest Received		144	64
Finance Costs		(686,196)	(444,755)
Income Tax Refund		17,365	52,037
Net Cash Provided by Operating Activities	21	<u>2,763,256</u>	<u>1,870,459</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	9	<u>(4,436,280)</u>	<u>(1,718,523)</u>
Net Cash used in Investing Activities		<u>(4,436,280)</u>	<u>(1,718,523)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Borrowings		10,099,956	1,467,080
Repayment of Borrowings		(9,395,412)	(1,214,963)
Net Cash provided in Financing Activities		<u>704,544</u>	<u>252,117</u>
Net Increase in Cash Held		(968,480)	404,053
Cash at the Beginning of the Financial Year	21	1,511,291	1,107,238
Net Cash at the End of the Financial Year	21	<u><u>542,811</u></u>	<u><u>1,511,291</u></u>

The accompanying notes form part of these financial statements.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

General information

The financial statements cover Illawarra Master Builders Club Limited as an individual Company. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office & Principal place of business

61 Church Street
Wollongong NSW 2500

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 August 2023. The Directors have the power to amend and reissue the financial statements

NOTE 1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in this note.

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. ACCOUNTING POLICIES (continued)

Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 15, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Company's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Company reassess whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other payables in the statement of financial position.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. ACCOUNTING POLICIES (continued)

Goods and Services Tax ('GST') and other similar taxes (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

During the year the Company identified that the program used to calculate annual leave had formular errors for the year ended 30 June 2021 and 30 June 2022. The Company has restated the balances for annual leave for the year ended 30 June 2022 retrospectively as noted below.

During the year the Company identified that considerations around AASB 15 - Revenue, had not been considered for the Company's three and five year memberships. Therefore, for the year ended 30 June 2021 and 30 June 2022 the Company has recalculated the membership fees and has restated the 30 June 2022 balance to be inline with the standard.

Statement of Financial Position	Closing balance 30 June 2021	(Decrease)/ Increase	Adjusted Closing balance 30 June 2021	Opening 1 July 2021	Adjusted	(Decrease)/ Increase	2022 Restated
Annual leave	254,393	77,271	331,664	309,637		(28,535)	281,102
Contract Liabilities - Current		6,705		6,705		(1,795)	4,910
Contract Liabilities - Non-Current		183,918		183,918		(14,614)	169,304
Net Assets	31,083,547	267,894	31,351,441	37,264,707		(44,945)	37,309,652
Retained earnings	21,391,433	(267,894)	21,123,539	21,123,539			21,123,539

Statement of profit or loss and other comprehensive income

Annual leave expense	134,754	28,536	163,290
Subscriptions	37,728	16,409	54,137
Surplus for the year attributable to the members of the Company	929,170	44,945	974,115

2023	2022*
\$	Restated
\$	\$

NOTE 2. REVENUE

Revenue from contracts with customers

Gaming	10,926,360	7,311,420
Bar and Catering	8,127,866	4,978,081
Entertainment Income	218,146	145,346
Commissions	306,501	189,706
Members Subscriptions	124,970	54,137
	<u>19,703,843</u>	<u>12,678,690</u>

Other Revenue

Profit on Sale of Non Current Assets	9,638	-
Rent Received	57,982	55,929
Other Income	1,473	34,767
Government Subsidies	-	405,192
Interest Received	144	64
	<u>69,237</u>	<u>495,952</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2. REVENUE (continued)

The Company operates in one geographical location being Australia.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Goods Sold

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods. It is measured at the fair value of the consideration received or receivable and is recognised in profit or loss when a customer obtains control of the goods or services. No revenue is recognised if there is significant uncertainty regarding recovery of consideration due.

Gaming revenue

Poker machine revenue is recognised in profit loss, net of prizes and jackpots, once the underlying games have been completed. Other gaming revenue is recognised in profit or loss when the underlying gaming event has been completed.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

	2023	2022*
	\$	Restated
		\$
NOTE 3. EXPENSES		
Surplus before income tax includes the following specific expenses:		
Depreciation - Gaming	664,403	650,343
Depreciation - Fixtures, Fittings & Equipment	317,947	365,203
Depreciation - Motor Vehicle	13,096	9,579
Depreciation - Buildings	520,000	-
Total Depreciation	<u>1,515,446</u>	<u>1,025,125</u>
Fees paid to or owed to auditors of the Company - Mr Ben Fock (HLB Mann Judd)	35,000	-
Fees paid to or owed to auditors of the Company - Mr Ian Brown	-	35,220
Finance costs - interest and finance charges paid on borrowings	666,810	431,390
Finance costs - interest on lease liabilities	19,386	13,365
	<u>686,196</u>	<u>444,755</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 4. INCOME TAX		
Income tax expense has been calculated as follows:		
Profit for the year before income tax	1,321,666	877,133
Less Profit Attributable to Members	1,547,678	962,488
Taxable Income/(Loss)	<u>(226,012)</u>	<u>(85,355)</u>
Tax Losses from previous years	-	-
Total Tax Losses	<u><u>(226,012)</u></u>	<u><u>(85,355)</u></u>
Income Tax refund form 2022 year @ 25%	17,365	-
Income Tax Refund from 2021 year @ 26%	-	52,037
	<u><u>17,365</u></u>	<u><u>52,037</u></u>

The Company pays income tax on income derived other than from members.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

NOTE 5. CASH AND CASH EQUIVALENTS

Current		
Cash at Bank and in Hand	618,000	1,280,304
Short-Term Bank deposits	89	230,987
	<u>618,089</u>	<u>1,511,291</u>

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTE 6. TRADE AND OTHER RECEIVABLES

Current		
Trade Receivables	17,359	12,884
	<u>17,359</u>	<u>12,884</u>

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

NOTE 7. INVENTORIES

Current - at cost		
Inventory	269,798	266,553
Other inventory	10,510	23,540
	<u>280,308</u>	<u>290,093</u>

Inventory is stated at the lower of cost and net realisable value on a 'first in first out' basis. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

NOTE 8. OTHER CURRENT ASSETS

Current		
Prepayments	111,010	322,469
	<u>111,010</u>	<u>322,469</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 9. PROPERTY, PLANT AND EQUIPMENT		
Non-current		
Land at Directors Valuation	17,440,000	17,440,000
Buildings at Directors Valuation	26,000,000	26,000,000
Building Development - at cost	2,805,169	-
Less Accumulated Depreciation Building	(520,000)	-
Strata Properties at Directors Valuation	1,145,000	1,145,000
Total Buildings	<u>29,430,169</u>	<u>27,145,000</u>
Total Land and Buildings	<u>46,870,169</u>	<u>44,585,000</u>
Plant and Equipment at Cost	11,385,658	12,555,152
Less Accumulated Depreciation	<u>(6,167,147)</u>	<u>(7,977,188)</u>
	<u>5,218,511</u>	<u>4,577,964</u>
Total Property, Plant and Equipment	<u>52,088,680</u>	<u>49,162,964</u>

The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued on 30 June 2022 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date.

Property, plant and equipment includes right of use assets of \$1,055,829 related to leased assets . Further information is at Note 11.

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land	Buildings	Plant and Equipment	Total
Balance at 1 July 2022	17,440,000	27,145,000	4,577,964	49,162,964
Additions		2,865,574	1,601,694	4,467,268
Transfers		(60,405)	54,205	(6,200)
Net effect of disposals			(19,906)	(19,906)
Depreciation Expense		(520,000)	(995,446)	(1,515,446)
Carrying amount at 30 June 2023	<u>17,440,000</u>	<u>29,430,169</u>	<u>5,218,511</u>	<u>52,088,680</u>

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 9. PROPERTY, PLANT AND EQUIPMENT (continued)

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.50%
Poker Machines	20% to 25%
Plant and equipment	7.5% to 20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

As required under section 41J of the Registered Clubs Amendment Act 2006, the Club is required to specify the core property and non-core properties owned and occupied as at the end of the financial year. Core property: Land and buildings at 61 Church Street Wollongong.

Non-core property: Land and buildings. 55 Campbell Street, Wollongong

	2023	2022
	\$	\$
NOTE 10. INTANGIBLES		
Non-current		
Poker Machine Licenses Purchased	<u>207,411</u>	<u>207,411</u>

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Balance at 1 July	207,411	207,411
Additions	-	-
Amortisation	-	-
Carrying amount at 30 June	<u>207,411</u>	<u>207,411</u>

The Company currently owns 215 Poker machine entitlements. The value of these intangible assets in accordance with accounting standards, are not recorded in the statement of financial position except for poker machine entitlements purchased from other entities. Poker machine entitlements have indefinite useful lives given they have no expiry date.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

NOTE 11. RIGHT OF USE ASSETS

The Company leases a number of poker machines with terms of between 1 year and 3 years.

Information about leases for which the Group is a lessee is presented below. The Company presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'Financial liabilities' in the statement of financial position.

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

Balance at 1 July	424,349	440,004
Additions	853,920	-
Depreciation	222,440	15,655
Carrying amount at 30 June	<u>1,055,829</u>	<u>424,349</u>

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	\$	\$
NOTE 11. RIGHT OF USE ASSETS (continued)		
Future lease payments		
The total of future lease payments are disclosed for each of the following periods.		
Less than one year	407,016	187,849
One to five years	537,040	231,994
More than five years		
Total	<u>944,056</u>	<u>419,843</u>
Depreciation charge related to right-of-use assets	<u>222,440</u>	<u>15,655</u>

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those in property plant & equipment.

NOTE 12. TRADE AND OTHER PAYABLES

Current - Unsecured		
Trade Payables	498,743	622,971
Income tax	-	(1)
Sundry Payables and Accrued Expenses	<u>410,179</u>	<u>629,187</u>
	<u>908,922</u>	<u>1,252,157</u>

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 13. FINANCIAL LIABILITIES

Current		
- Bank Overdraft	75,278	-
- Secured Bank Loans	960,000	337,212
- Lease Liability	<u>450,305</u>	<u>170,784</u>
	<u>1,485,583</u>	<u>507,996</u>
Non-Current		
- Secured Bank Loans	11,033,075	11,480,288
- Lease Liability	<u>493,752</u>	<u>249,060</u>
	<u>11,526,827</u>	<u>11,729,348</u>
Total Financial Liabilities	<u>13,012,410</u>	<u>12,237,344</u>

The bank holds first registered mortgages over all land and buildings along with a floating charge over all the assets of the Company to cover bank loans, overdraft and corporate credit facilities.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 13. FINANCIAL LIABILITIES (continued)

The Commonwealth Bank of Australia (CBA) has provided a loan facility of \$12,000,000 to fund recent building renovations. The loan was interest only for 2 years. Principal and interest repayments commenced in August 2022.

The bank loans are principal and interest payment loans, repayable in monthly instalments and due to mature in 2026. The variable interest rate ranges from 4.35% to 7.35% as at 30 June 2023 (2022: 8.80%).

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Net Finance Costs

Interest income or expense is recognised using the effective interest method. Finance costs comprise interest expense on borrowings.

	2023	2022*
	\$	Restated \$
NOTE 14. CONTRACT LIABILITIES		
Current		
Membership in advance	42,184	4,910
	<u>42,184</u>	<u>4,910</u>
Non-Current		
Membership in advance	52,839	169,304
	<u>52,839</u>	<u>169,304</u>

Contract liabilities represent the Company's obligations to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer.

NOTE 15. EMPLOYEE BENEFITS

Current

Employee Entitlements	606,261	448,647
	<u>606,261</u>	<u>448,647</u>

Non-Current

Employee Entitlements	51,558	85,098
	<u>51,558</u>	<u>85,098</u>

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Superannuation expense	<u>539,907</u>	<u>357,782</u>
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Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 15. EMPLOYEE BENEFITS (continued)

	Employee Entitlements Long Service Leave	
Analysis of provisions		
Opening balance at 1 July 2022	252,644	
Additional provisions raised/(reversed) during the year	(3,595)	
Amounts used		
Balance at 30 June 2023	<u>249,049</u>	

NOTE 16. KEY MANAGEMENT PERSONNEL DISCLOSURES	2023	2022
	\$	\$

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

Aggregate Compensation	<u>399,500</u>	<u>349,200</u>
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Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity, is considered key management personnel. The totals of remuneration paid to key management personnel of the Company during the year is above.

NOTE 17. RELATED PARTY TRANSACTIONS

No Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Director's interests subsisting at year end.

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

The Directors are paid an Honorarium of \$10,000 for the Chairman and \$1,000 per Director as approved by the members at the AGM dated 23 Oct 2022.

NOTE 18. CONTINGENT LIABILITIES

Estimates of material amounts of contingent liabilities not provided for in the accounts, arising from:

Bank Guarantee in favour of the TAB	<u>5,000</u>	<u>5,000</u>
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NOTE 19. CAPITAL COMMITMENTS

Capital expenditure commitments contracted for net of GST and not provided for in the accounts.

Current		
Building Renovations	1,002,000	2,690,440
Plant & Equipment	98,500	89,308
	<u>1,100,500</u>	<u>2,779,748</u>

NOTE 20. EVENTS AFTER BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years other than noted in the Directors Report.

ILLAWARRA MASTER BUILDERS CLUB LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

NOTE 21: CASH FLOW INFORMATION	2023	2022
	\$	\$
Reconciliation of cash on hand		
Cash at Bank	618,089	1,511,291
Bank Overdraft	(75,278)	-
	<u>542,811</u>	<u>1,511,291</u>
Reconciliation of Cash Flow from Operations with Surplus/(deficit) after income tax		
Surplus/(deficit) after income tax	1,339,031	974,115
Non cash flows:		
Depreciation	1,515,446	1,025,125
Gain on sale of vehicles	(9,638)	-
Changes in Assets and Liabilities		
Decrease/(Increase) in Receivables	(4,474)	(56,183)
Decrease/(Increase) in Inventories	9,784	(72,142)
Decrease/(Increase) in Other Current Assets	211,459	(22,335)
Increase/(Decrease) in Payables	(343,235)	76,194
Increase/(Decrease) in Contract Liabilities	(79,191)	(16,408)
Increases/(Decrease) in Employee Benefits	124,074	(37,907)
Net cash provided by (used in) operating activities	<u>2,763,256</u>	<u>1,870,459</u>

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2023**

The Directors of Illawarra Master Builders Club Limited declare that, in the Director's opinion:

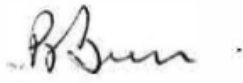
The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standards - Simplified Disclosures, Corporations Regulations 2001 and other mandatory professional reporting requirements;

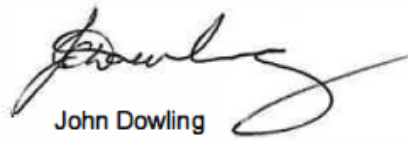
The attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors


Brian Burns
Director
Date: 29/8/23


John Dowling
Director

INDEPENDENT AUDIT REPORT

To the members of Illawarra Master Builders Club Limited,

Opinion

I have audited the financial report of Illawarra Master Builders Club Limited (“the Company”) which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

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

- a) giving a true and fair view of the Company’s financial position as at 30 June 2023 and of its financial performance and cash flows for the year then ended; and
- b) complying with Australian Accounting Standards - Simplified Disclosures and the Corporations Regulations 2001; and

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company in accordance with the auditor independence requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (“the Code”) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Report

My 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 my 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.

hlb.com.au

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HLB Mann Judd (Wollongong) Pty Ltd is a member of HLB International, the global advisory and accounting network.

INDEPENDENT AUDIT REPORT

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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

I 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 I identify during my audit.

I also provide the those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



Ben Fock
Registered Company Auditor

Date: *29.6.23*
Wollongong

**ILLAWARRA MASTER BUILDERS CLUB LIMITED
DONATIONS AND COMMUNITY SUPPORT
FOR THE YEAR ENDED 30 JUNE 2023**

**DONATIONS AND COMMUNITY SUPPORT
2022/2023**

Cerebral Palsy Alliance
Corrimal Rotary
Cystic Fibrosis Community Care
Dry July
Five Islands Secondary College
Life Skills Program
Illawarra District Rugby Union
Illawarra Master Builders Association
Illawarra Drug Awareness Group
Illawarra South Coast Hockey
Lifeline South Coast
North Wollongong Surf Life Saving Club
OZ Harvest
Pistol Club Project Bucephalus
Rotary Club of West Wollongong
Saint Vincent de Paul Society NSW
St Vincent de Paul West Wollongong
The Shepherd Centre for Deaf Children
University of Wollongong Football Club
Riding for the Disabled
SCARF Incorporated