

Mulwala WATERSKI Club

2021 Annual Report

World Class...



Mulwala Water Ski Club Max Kirwan Ski Park



malibu Max Kirwan Ski Park



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Notice of meeting

Notice is hereby given that the Annual General Meeting of
The Mulwala Water Ski Club Limited
will be held at the Clubhouse on Sunday, 17th October 2021 at 10am

Agenda

1. To confirm the minutes of the previous Annual General Meeting held on 15th November 2020.
 2. To receive and consider the report for the Board of Directors.
 3. To receive and consider the financial statements and auditors' report.
 4. Resolution: Comply with Registered Club Act 1976 Section 10.
 5. To deal with any business for which due notice has been given.
 6. To deal with any business that the meeting may approve, of which due notice has not been given.
 7. Election of the Board for the ensuing year.
- NB: Only financial members are entitled to attend the meeting.
- Questions relating to the financial statements should be submitted in writing to the Club seven days prior to the meeting.
 - Nominations for the Board of Directors closed Friday 17th September 2021 at 6.00pm.
 - Nomination forms are available from the Secretary.

By Order of the Board
Peter G. Duncan
Chief Executive Officer.

Resolution

To comply with the Registered Clubs Act 1976 Section 10

That approval is given to a budget provision of an annual sum (not exceeding \$35,000) to meet such of the following expenses of the club that may be approved by the Board of Directors from time to time:

1. The reasonable cost of meal and beverages for each Director or Senior Management Officer at an appropriate time before or after a Board or Committee Meeting and which is incurred on the day of that meeting.
2. Reasonable expenses incurred by a Director either within the Club or elsewhere in relation to the duties of a Director including the entertainment of special guests of the Club in relation to Club business and such other promotional activities as may be approved by the board.
3. The reasonable cost (including the cost of meals, accommodation and travel) of selected Directors, Managers and their partners attending the Clubs NSW meetings, the meetings of other associations of which the Club is a member and meetings or conferences that are of a relevant educational or beneficial nature to the club.
4. Legends Award — New club award to recognise those individuals for outstanding service to waterskiing, The Mulwala Water Ski Club.

President's Report

Thank you for the opportunity to present my first Presidents report.

Last year was a very challenging year for the club industry due to covid19, and we went into 2021 hoping for improved conditions.

Unfortunately this turned out to be overly optimistic. On New Year's Eve everyone was thrown into Chaos when the Victorian State Government ordered all Victorians on holidays to return home by midnight or face isolation?

Chaos is defined as tooling up to cater for our busiest month of the year – and within 24 hours Mulwala being reduced to a ghost town. Our holiday park went from 100% occupancy on 31 December 2020 to 7% on 1 January 2021.

The associated bands, entertainment, staff rosters and catering were all geared for the masses who unfortunately were now headed back down the Hume Highway before their holiday had barely began.

2021 did not start as we hoped but what it did highlight (yet again) is that the staff and management of Mulwala Water Ski Club are up for any challenge. Without missing a beat, every aspect of the club's operation was adjusted to meet the changed circumstances with a focus on limiting loss and controlling costs – as has been the case across the entire financial year.

Whilst there is nothing positive I can say about Covid, what it has demonstrated, is just how valuable our staff, management and directors are. Every challenge Covid has presented, has been met head on. This has been reflected through work ethic, positive attitudes, a team based approach and a willingness of everyone to adapt to a continual changing landscape. This has meant that we have been able to scale up and scale down very quickly as Covid circumstances have dictated.

The willingness of all our staff to confront these challenges with such a positive attitude is why we succeed.

Success is defined as different things to different people, but to me, success can be summarised as..

Financial – making sure we continue to run a viable and growing business who adopts best practice and remains a leader in our field.

Providing the **Venue of Choice** to our members, guests and staff – making sure we provide a safe, friendly and fun environment to catch up with family, friends and colleagues.

Continual **Capital Improvement program** – investing in existing and new infrastructure to maintain our leading edge in the NSW Club Industry

Staying true to **Our Charter** - making sure we continue to develop the sport of water skiing and we continue to turn out champions of the future

Supporting our Local Community – by ensuring we continue to provide assistance and support to the local businesses, the community and our business partners.

The Financial Performance of the Mulwala Water Ski Club has been outstanding this financial year, recording a profit of \$2.813m before abnormalities.

Unfortunately, the abnormalities reported include the net fraud cost to the Ski Club of \$1.012m bringing the clubs recorded profit to \$1.80m.

The misappropriation of funds has resulted in the Financial Controller being charged with fraud and to appear before the criminal court.

I would like to reassure our members that the club is leaving no stone unturned in our endeavour to recoup these funds through various channels.

Internally, the board and management have conducted a major review of our policies, procedures and current banking arrangement. We appointed a new auditor in December 2019 and a full audit has occurred across all facets of our business. An Audit, Risk and Compliance Committee was implemented in April 2021 and in May 2021 we appointed a new Financial Manager with accounting qualifications.

In the face of adversity our staff, management and directors all rose to the challenge. This has meant our operational performance was unaffected, whilst at the same time, we continued to progress our capital improvement program throughout the year.

I am very proud to report that The Mulwala Water Ski Club is in a very strong financial position with every facet of our business consistently trending in the right direction. Our trade continues to flourish at record levels, our cost controls are excellent, we have zero debt and cash reserves of \$3.4m which allows us to maintain our capital improvement programs into the future.

The club has maintained a “business as usual attitude” throughout this turmoil and we have proactively pursued projects outlined in our 2019 strategic plan. Therefore, our **Capital Improvement Program** remains on track, on time and on budget.

1. **Completion of Stage 3 of the Holiday Park** – civil works to redesign and rebuild critical underground infrastructure such as power, water and drainage to service 12 sites at a cost of \$320K. This now completes all works identified in our strategic plan



for the Northern end of the holiday park and means all civil works have been replaced, roads paved, curb and guttering installed, cabins, caravan sites and amenities such as showers, toilets and camp kitchen have all been replaced at a total cost of \$2.24m.

2. **Extension of gaming room** – has now been complete at a cost of \$340k. The club can now increase gaming machine numbers outside from 20 to 38 which in turn offers our patrons a greater variety of gaming options. Additional heating, cooling, misting and the construction of a higher wall to shield from rain, wind and sun glare, will all add to a more comfortable environment for patrons.
3. **Extension of the deck** – The Malibu Deck does offer “the best seat in town” and it’s extension will allow us to cater for greater numbers to enjoy the beautiful vista across Lake Mulwala.
4. **Investment in furniture in both restaurants** – The outdoor furniture at Papalia’s Italian Restaurant was replaced in June 2021 and The Golden Inn Chinese Restaurant furniture was replaced in August 2021. Whilst both Restaurants’ are leased out, it is the Clubs responsibility to make sure we maintain the decor to the same high standard we maintain through the remainder of the Club House.
5. In 2017 Mulwala Water Ski Club negotiated a heads of agreement with Vallocet Clean Energy to build a **Solar Farm on vacant land at the Max Kirwan Ski Park**. The Solar Farm at Max Kirwan Ski Park will generate 6.5MW producing 12,193 MWh of electricity which can supply approximately 1,875 houses in Mulwala. We expect development of the project to commence in early 2022 – pending network approval. Mulwala Water Ski Club will derive an annual income from this project.
6. The club has also been working with Vellocet to review its **energy usage with the joint objective of providing a solar car park and shade for our members and guests**. In June 21 we submitted a Development Application with Federation Shire to provide a generation solution across 2 stages.

Stage 1 – 308kW carpark mounted solar generation system

Stage 2 – 416kW carpark mounted solar generation system

The benefits of this project can be summarised as ...

- Provides total car park shade for 177 vehicles
- Estimated power bill savings for entire micro grid estimated at \$239k annually
- This generation abates an estimated 780 tonnes of greenhouse gases per annum

Our Charter – Mulwala Water Ski Club was founded

on the back of a charter to support the Sport of Water Skiing. Unfortunately, Covid restrictions severely curtailed our capacity to conduct normal ski activities through the summer period and as a consequence we had to cancel our hugely popular Ski Shows.

In March 2021 restrictions started to relax and this meant we were able to host the National Barefoot Titles, Victorian 3 Event Titles and the National 3 Event Titles at our Max Kirwan Ski Park. The feedback from the competitors and officials was that they loved the new development at the Ski Park and that it is one of the best in the world.

We are committed to **Supporting our Local Community** and we achieve this on many different mediums.

We work hard to promote Yarrawonga/Mulwala and encourage tourism to the area. This is managed through hosting sporting events, sponsorship of local events and regular quality ‘live and free’ entertainment.

Bingo and Raffle prizes are structured to ensure members and guests “shop local”.

We use local trades to conduct capital works, maintenance, cleaning and supplying our coffee shop and restaurants.

We make substantial and regular donations to a multitude of sporting clubs and other interest groups. Some of our more significant recent donations are -

- \$20,000 towards 4 hospital beds, this is a total of \$50,000 donated over the last 3 years to assist Yarrawonga Health Helping Hands bed replacement.
- \$40,000 to Tunzafun to allow completion of their capital improvement program. This is in addition to the \$30,000 already donated to Tunzafun over the last 4 years.
- In 2015 we commenced a partnership with Bluearth Foundation which we continue to support. Bluearth Foundation changes kids’ lives through movement and mindfulness. Bluearth works with schools and communities to help kids live better- physically, mentally and emotionally. In the last four years we have donated \$60,000 towards Bluearth and the work they do through our local schools.

The Mulwala Water Ski Club is committed to reducing waste to landfill via the implementation of a Sustainability Strategy.

Our Sustainability Strategy will introduce measures to reduce waste – especially food waste. We will endeavour to recycle all plastics, glass, cardboard and paper and as previously mentioned are well advanced with 2 solar projects.

In March 2021 **Len Langford** announced his retirement

Len was elected to the Board in 1995. He was a



Director 1995 -2000 (5 years), Vice President 2000 – 2002 (2 Years) and President 2002 – 2020 (18 years) and has therefore, loyally served our club for 25 consecutive years.

Len is the longest serving President in Mulwala Water Ski Club's history.

During Len's term of Director/President under the 2 CEO's there have been several major renovations to the Club House and significant changes to the Holiday Park. I will not outline all the works carried out but rather just point out that the Mulwala Water Ski Club has been on an exponential growth trajectory throughout this period.

In the last 18 years under Len's Presidency Mulwala Water Ski Club has spent approximately 30 million on Capital improvements.

I have served as Len's Vic President for 17 years and thank him for all his help and guidance and wish him the best in his retirement.

Following Len's retirement in May 2021, **Ben Levesque** was seconded to the Board of Directors.

Ben will require election by members at our Annual General Meeting in October. Ben has my full support – as do existing Board members Gavin Williams, Trevor Bailey and Andrew Starr.

Ben's father John is one of only 9 Life members of Mulwala Water Ski Club and his brother Tim was CEO from 2001 – 2009.

The Levesque family were pioneers of show skiing on Lake Mulwala and have a deep association with the Club since its opening in 1983.

Ben commenced his career at Mulwala Water Ski Club in 2001 and has broadened that skill base through roles with Mathoura Bowling Club, Tocumwal Golf Club, Deniliquin RSL Club and Caloundra Surf Club.

A desire to return home saw Ben start a career

change to Business/HR Manager at Finley Regional Care in 2012 which transitioned in the role of CEO of Finley Regional Care in 2017 where he is currently employed.

Ben adds extensive experience to our Board through a deep understanding of the club industry and water skiing, as well as the skills he has gathered through Finley Health.

In conclusion, I would also like to acknowledge the way our members, guests and business partners have supported us through the last 12 months. Border lockdowns meant we really had to rely on the local support of our members from within the border bubble and particularly residents of Mulwala, Yarrawonga and close surrounding districts. When things got tough I quickly learnt that we have great supporters who not only regularly patronise the club, but more importantly have a sense of ownership, pride and genuine desire for the Mulwala Water Ski Club to succeed.

Through the efforts of our staff, management and Board of Directors, coupled with the ongoing support of our members, guests and business partners we have had an excellent year.

Our financial performance has been the highest on record with each individual business unit showing consistent and ongoing growth.

I am committed to making sure Mulwala Water Ski Club is the "venue of choice" that continues to be a leader in the NSW Club Industry.

I can confidently say we are achieving that goal and are in an excellent position to continue to do so going forward.



*Regards –
Matt Holgate
President Mulwala Water Ski Club*

Chief Executive Officer's Report

The challenges of the last two years due to covid-19 has seen all businesses struggle with restrictions and staff shortages, however the club and staff have adapted and worked hard to ensure the viability of the club. With the help of the government assistance of job keeper and operational changes we have recorded a profit of \$1.8m.

The club also endured a further major setback with the misappropriation of funds of \$1.104m which has led to criminal charges of the Financial Controller and civil proceedings by the club to recoup these funds.

The operations of the club has been very strong and we have recorded strong sales in all bars and coffee shop. Accommodation has been strong matching pre-covid-19 figures and gaming has seen an increase on 2020 figures of 15%.

Costs have been reduced with entertainment expenses down \$239K, advertising expenses down \$54K, Repairs & Maintenance down \$20K and Pokie Bus expenses down \$120K.

Covid-19 has also presented us challenges with the cancellation of many events we run throughout the year, these include our Ski Shows over summer, Melbourne Cup and Oaks Day luncheons, Ski Clubs Got Talent, Darts Tournament, and a huge reduction in the big Bands we are known for.

Last year we were forced to cancel all of our skiing including the World Show Ski Championships and the Christmas holidays ski shows. While the ski team

were bitterly disappointed in not being able to ski and showcase their skills, hopefully it has given them a well-deserved rest and they are ready to resume this Christmas and entertain the crowds once again.

I would like to thank our managers and staff of the club who continually worked hard and put in extra time to help due to extreme staff shortages. Not only did they put in extra time they constantly brought ideas to management on ways to provide and improve service. Also thank you to our members for sticking with us through these tough times, your support is very much appreciated.

Lastly I would like to thank our Directors for continually looking at the big picture in developing the club. In particular I would like to acknowledge Len Langford who has recently resigned from the Board after 25 years of service to the club. Len took me on a steep learning experience when I was appointed CEO in December 2009. We visited 23 clubs in five days through NSW and Qld, travelled up and down the Murray and Riverina, Canberra, and visited Las Vegas to gain ideas and give me an education. Len always encouraged me to visit new clubs to gain ideas and also frequently challenged me on my observations. Thank you Len I appreciate not only the help and guidance you have given me but also the service to the Mulwala Water Ski Club.

Peter Duncan
Chief Executive Officer



Water Ski Co-ordinators Report

Well with all the Covid issues this year it was good to see plenty of people on the water, even if we weren't able to run to much through our club.

Memberskiing was full as always once the border issue went away. Unfortunately though the Ski Show not running was a bummer, particularly as organising training for it ran us into a lot of restrictions.

Positively, the summer was packed and heaps of people took to the water, we also held Barefoot and Three Event Nationals here at the Max Kirwan Lakes which saw many of our local skiers perform really well.

It's pleasing to note that Covid Permitting we will be having the Ski Show nationals and Barefoot nationals in March 2022, the Barefoot nationals are celebrating their 60th championships so the reunion dinner will be huge

We hope to be able to perform a ski show this summer and get all our skiers back involved. If your interested in being more involved with the waterskiing at the club please get in touch.

Thanks and ski ya at summer
Pete



Minutes of the Annual General Meeting

Minutes of the Annual General Meeting of members held in the Clubhouse, Melbourne Street Mulwala on Sunday, 15th November 2020 at 10am.

Present:

President Mr Len Langford and 35 Members.

Apologies:

The following apologies were received: Helen Purtle, Tom Purtle, Judy Eden, Roy Smith, Lynette Toohey, Garry Wilson and Julie Wilson..

Minutes

The minutes of the previous Annual General Meeting held on 27th October 2019, a copy of which was made available to the members and posted on the Clubs website, was approved as a true copy of all proceedings on the motion of John Dowell (1740) and seconded by Bill Hidson (2440). *Carried*

President's Report – Mr Langford presented his report.

In my report last year I said it had been a tough year and this year has proven to be very challenging due to corona virus hitting the Nation in early 2020 and causing businesses to close for over two months. Although I am pleased to announce a profit of \$1,690,000 which is \$1,043,000 up on last year I must acknowledge the help of the Governments Job Keeper supplement of \$450,000 and the NSW State Government Grant of \$300,000 for the upgrade of our Max Kirwan Ski Park.

On a pleasing note I am extremely proud of the completed project of the upgrade of the Max Kirwan Ski Park which has made this facility world class. The project was finished on time to host the World Show Ski Championships and with America, Canada, China and Belgium who were here training a week before the Championships.

Unfortunately Covid-19 hit the Nation and the Championships were called off leaving the athletes and officials extremely disappointed. My sympathy goes out to our skiers and supporting crew who worked tirelessly to have the Ski Park looking absolutely magnificent.

Other projects completed in the financial year were –

- **Stage 3 of the Holiday Park upgrade** at a cost of over \$10m
- **Two new jetties** on the Lake in front of the club at a cost of \$50K

On a sad note the club lost one of its greatest supporters in former Director Ken Williams. Ken will fondly be remembered for attending every AGM and congratulating the club on its achievements for the year,

even in the tough years. Also the loss of our Auditor for over 35 years Jeff Haebich who was a great supporter of the club.

Closing off I'd like to announce that I will be standing down as President after 20 years in that role. I would like to thank all the Directors over the journey for their support to the club and myself. I must make special mention to Matt Holgate in his role as vice President over many years and his support has been very much appreciated. Also a thank you to our staff for the great job they do year after year and to our members who continue to support this great club.

Mr Holgate spoke on behalf of the Board to acknowledge Mr Langford's great service

Director's Report

Mr Langford then explained the Directors Report as per the Annual Report and the Report was approved on the motion of Peter Murray (3205) and seconded by Joan Williamson (1019). *Carried*

Financial Statements and Auditors Report:

Mr Langford introduced Mr Peter Rae form Brian McCleary and Co Accountants to address the meeting before the motion was presented.

Mr Rae gave a short slideshow presentation of his audit of the Club and was very impressed with the way the club is run, the cash position, the balance sheet and the re-investment into members facilities

The Financial Statements and Auditors Report for the year ended 30th June 2020, was approved on the motion of Denise Dowell (1739) and seconded by Peter Murray (3205). *Carried*

Business to which due notice given

There was no business arising for which due notice was given.

Business to which no notice was given

There was no business arising for which due notice has not been given.

Elections

Mr Langford announces that it is time for the Board elections and hands over the microphone to the CEO Mr Peter Duncan to explain.

There are three positions which have been advertised in line with our constitution.

Minutes of the Annual General Meeting continued

At the close of nominations there were three nominations for the three positions. These being three current Directors who have re-nominated for the Board positions.

- Mr Len Langford
- Mr Kelvin Weston-Green
- Mr Gary Wilson

As there were no other nominations for the three positions of Board of Directors I declare Mr Len Langford, Mr Kelvin Weston-Green, and Mr Gary Wilson elected unopposed..

Special Resolutions

Mr Duncan then presented the Resolutions.

1. Special Resolution – Each year the club must comply with the registered clubs act 1976 section 10. This means we must have the cost of director's expenses approved by the members. I will now hand over to the CEO to read out the Resolution –

The Special Resolution for Directors expenses to comply with the Registered Clubs Act 1976, Section 10. This resolution was read out by Mr Duncan.

This resolution was approved on the motion of Peter Leeworthy (1600) and seconded by Mr Robert Purtle (3). Carried.

2. Legends Award –

The Sport of Water Skiing is the reason the Mulwala Water Ski Club was established, and over the past 37years many individuals have performed and worked tirelessly in promoting and developing water skiing in the local community.

The club wishes to establish a Legends Award that acknowledges outstanding achievements in water skiing of the MWSC. The recipient of the Legends Award will receive free membership for Life.

Nominations for the Legends Award must meet a strict criteria to be accepted by the Board of Directors for consideration.

I will now call on Kelvin Weston-Green to read out the criteria.

Could we have a member move a motion to accept the resolution.

This resolution was approved on the motion of Peter Leeworthy (1600) and seconded by Jared Loughnan (806).

(The vote was unanimous - For) Carried.

Appointment of Auditor

In accordance with ASIC and the registered clubs act the appointment of the Club Auditor is to be passed by the members. The board of Directors have employed

Chartered Accountants Brian McCleary & Co for the 2019/2020 Financial year and put forward their nomination as Club Auditors.

Could we have a member move a motion to accept the resolution

This resolution was approved on the motion of Peter Murray (3205) and seconded by Leonie Weston-Green (409)

Skiing Report

Mr Langford introduced Mr Peter O'Neill to give a brief overview of year's achievements in skiing.

Mr O'Neill spoke about the disappointment of the World Show Ski Titles being cancelled due to Covid -19. He thanked everyone involved for all the hard work put in to bring the Ski Park up to world standard. Ski Shows will not be happening this year but ski training has recommenced out at the Ski Park. He thanked the Board and management for all their support and help

Close

Mr Langford thanked the members for their patronage and support. In closing the President Mr Langford invited the members to enjoy some hospitality of the Club.

There being no further business, the meeting closed at 10.29am.

I certify that the above is a true record of proceedings.

Chairman

Date

Directors' Report

Your directors present their report on the company for the financial year ended 30th June 2021.

Directors

The names of the directors of the company in office at any time during or since the end of the year are listed. For the 2020-2021 year, there was 13 board meetings and 2 Finance Committee meetings.

Director	Board Meetings	Finance Committee
Leonard Marshall Langford retires (26/4/2021)	11	
Matthew John Holgate	13	2
Trevor Stanley Bailey	13	
Kelvin John Weston-Green	13	1
Gavin Kenneth Williams	13	2
Andrew James Starr	13	
Garry William Wilson	12	
Ben Levesque appointed (28/06/2021)	1	

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

Review of Operations

The net profit of the Mulwala Water Ski Club Inc for the financial year was \$1,800,654. The directors acknowledge the financial impact that the COVID-19 Pandemic has had on the operating result for the financial year. The club was exposed to numerous trading interruptions due to the NSW and VIC border restrictions and lockdowns. During the financial year the Club received Job Keeper funds of \$858,600 which was offset against the wages expense and ATO cash flow boost of \$37,500. During the financial year the club repored a fraud of \$1,104,000 resulting in subsequent legal costs of \$158,401 and insurance revenue received of \$250,000.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year that have not otherwise been disclosed in the reports.

Principal activities

The principal activities of the company during the year were that of a water ski club. No significant changes in the nature of those activities.

Environmental Regulation

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

Dividends

No dividends are payable under the constitution.

Proceedings on Behalf of the Company

The company has engaged Duxton Hill (Fraud Lawyers) to pursue the recovery of the missing funds. This engagement is ongoing and will continue after the financial reporting period.

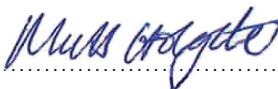
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the Corporations Act 2001 is set out on page 2.

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

Dated at Mulwala on this 30th day of August, 2021

Director: Matthew J Holgate

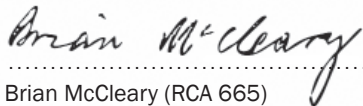


Auditor's Independence Declaration

**Under Section 307C of the Corporations Act 2001
To the Directors of Mulwala Water Ski Club Limited**

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Mulwala Water Ski Club Ltd. As the lead audit partner for the audit of the financial report of Mulwala Water Ski Club Ltd for the year ended 30th June 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.



.....
Brian McCleary (RCA 665)

Brian McCleary & Co

126 End Street, Deniliquin NSW 2710

Dated this 30th day of August 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	2021	2020
Income		
Bar - net	1,035,194	1,041,955
Coffee Shop - net	28,925	-4,005
Gaming - net	5,042,467	4,166,130
Holiday Park - net	410,786	396,080
Ski Park - net	-90,319	196,569
Other Income		
Promotions	12,550	10,887
Profit on Sale of Fixed Assets	62,058	73,937
Memberships	221,118	197,004
ATO Cash Flow Boost	37,500	62,500
Rebates	104,471	129,065
ATM Commission	91,421	87,323
Other Revenue	43,615	87,206
Total Net Income	<u>6,999,786</u>	<u>6,444,651</u>
Expenses		
Advertising & Marketing	46,553	100,207
Computer & IT	62,237	47,477
Donations	157,351	82,908
Entertainment	134,757	490,283
Insurances	240,028	211,503
Promotional	252,693	390,926
Rates & Utilities	307,781	312,417
Depreciation	671,870	664,964
Payroll	1,514,370	1,582,948
Security	161,554	148,009
Other Expenses	637,539	721,137
Total Expenses	<u>4,186,733</u>	<u>4,752,779</u>
Operating Profit	<u>2,813,053</u>	<u>1,691,872</u>
Fraud		
Insurance Claim Fraud	250,000	—
Misappropriation	-1,104,000	—
Fraud-related Legal and Audit Co	-158,401	—
Net Fraud	<u>-1,012,401</u>	<u>—</u>
Net Profit	<u>1,800,652</u>	<u>1,691,872</u>
Wages are shown net of Jobkeeper	858,600	672,000

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	Notes	2021	2020
Revenue	2a	12,425,762	11,909,822
Cost of sales	3	(1,371,656)	(1,339,911)
Gross profit		<u>11,054,106</u>	<u>10,569,911</u>
Other revenue	2b	1,147,561	1,045,837
Profit on Sale of Fixed Assets	2b	62,058	73,937
Depreciation		(1,706,240)	(1,642,892)
Employee Related Expenses		(2,759,115)	(3,016,580)
Other Expenses		(4,734,480)	(5,292,252)
Fraud & Legal		(1,262,401)	-
Finance costs	3	(834)	(46,088)
Profit for the year		<u><u>1,800,654</u></u>	<u><u>1,691,873</u></u>

Statement of Financial Position

as at 30 June 2021

	Notes	2021 \$	2020 \$
CURRENT ASSETS			
Cash and cash equivalents	7	3,458,480	1,432,798
Trade and other receivables	8	22,590	48,304
Inventories	9	171,979	178,415
Other assets	10	37,801	252,077
TOTAL CURRENT ASSETS		<u>3,690,851</u>	<u>1,911,594</u>
NON-CURRENT ASSETS			
Property, plant and equipment	11	20,971,960	21,3384,878
Right of Use Asset	12	124,000	155,000
TOTAL NON-CURRENT ASSETS		<u>21,095,960</u>	<u>21,539,878</u>
TOTAL ASSETS		<u>24,786,811</u>	<u>23,451,471</u>
CURRENT LIABILITIES			
Lease liabilities	12	31,000	31,000
Trade and other payables	13	924,448	970,251
Contract liabilities	14	446,546	407,936
Equipment Loans	15	187,730	256,501
Interest Bearing Liabilities	15	-	300,000
Provisions	16	349,759	417,661
TOTAL CURRENT LIABILITIES		<u>1,939,483</u>	<u>2,383,349</u>
NON-CURRENT LIABILITIES			
Lease Liabilities	12	93,000	124,000
Equipment Loans & Borrowings	15	131,081	243,144
Provisions	16	208,710	87,086
TOTAL NON-CURRENT LIABILITIES		<u>432,791</u>	<u>454,230</u>
TOTAL LIABILITIES		<u>2,372,274</u>	<u>2,837,578</u>
NET ASSETS		<u>22,414,537</u>	<u>20,613,893</u>
MEMBERS' EQUITY			
TOTAL MEMBERS EQUITY		<u>22,414,547</u>	<u>20,613,893</u>
		<u>22,414,547</u>	<u>20,613,893</u>

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2021

	Notes	Retained Earnings
Balance at 1 July, 2019		18,922,021
Comprehensive Income		
Profit for the year		1,691,873
Total comprehensive income for the year attributable to owners of the entity		1,691,873
Balance at 1 July, 2020		<u>20,613,893</u>
Comprehensive Income		
Profit for the year		1,800,654
Total comprehensive income for the year attributable to owners of the entity		1,800,654
Transactions with owners, in their capacity as owners, and other transfers		
Balance at 1 July, 2021		<u><u>22,414,547</u></u>

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2021

	Notes	2021 Inflows (outflows) \$	2020 inflows (outflows) \$
Cash Flows From Operating Activities			
Receipts from customers		13,039,201	12,881,818
Payments to suppliers and employees		(9,672,021)	(9,732,417)
Insurance Received		250,000	—
COVID19 Assistance		1,105,600	316,000
Misappropriated Funds		(1,104,000)	—
Fraud Expenses		(158,401)	—
Interest received/other income		1,461	1,337
Interest paid		(834)	(46,088)
Net cash provided by/(used in) operating activities	20a	<u>3,461,006</u>	<u>3,420,650</u>
Cash Flows From Investing Activities			
Proceeds from sale of property, plant and equipment		185,000	196,964
Purchase of property, plant and equipment		(1,191,136)	(2,849,277)
Net cash provided by/(used in) investing activities		<u>(1,006,136)</u>	<u>(2,652,313)</u>
Cash Flows From Financing Activities			
Proceeds from borrowings — Other		127,313	473,164
Repayment of borrowings — Bank Loan		(300,000)	(690,000)
Repayment of borrowings — Gaming Machines		(256,501)	(109,875)
Net cash provided by/(used in) financing activities		<u>(429,188)</u>	<u>(326,711)</u>
Net increase/(decrease) in cash held		2,025,682	441,626
Cash and cash equivalents at beginning of financial year		1,432,798	991,172
Cash and cash equivalents at end of financial year	7	<u>3,458,480</u>	<u>1,432,798</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2021

The financial statements cover Mulwala Water Ski Club Ltd as an individual entity. The company is a company limited by guarantee and is without share capital.

The financial statements were authorised for issue on 30th August 2021 by the directors of the company.

1. Summary of Significant Accounting Policies

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company 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.

The financial statements have been prepared on an ongoing concern basis.

The financial statements, except for the cash flow information, 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

All transaction costs incurred in relation to the business combination other than those associated with the issue of a financial instrument are recognised as expenses in profit or loss when incurred.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

a) Income tax

The company has sought legal advice as to its liability to income tax by virtue of section 51-45 of the Income Tax Assessment Act 1997. In review of the advice received, the Directors have resolved to self assess as being exempt from the income tax (Sporting Club)

b) Inventories

Inventories are measured at the lower of cost and comprised mainly of bar trading and coffee shop consumables.

c) Property, plant and equipment

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

Property

Freehold land and buildings are carried at cost, less accumulated depreciation for buildings.-

Plant & Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(h) for details of impairment).

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Notes to the Financial Statements

For the year ended 30 June 2021

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%
Plant and equipment	5%-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

d) Leases

At inception of a contract, the Company assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Company where the Company is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The Company does not act as a lessor in relation to lease contracts.

e) Employee Benefits

Short-term employee benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

Notes to the Financial Statements

For the year ended 30 June 2021

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

f) Provisions

Provisions are recognised when the company 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.

g) Cash & Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

h) Revenue Recognition

Revenue generated by the company is categorised as follows:

Sale of goods

The company recognises revenue when the sale of goods or services occurs or the delivery of goods or services occurs. Interest Income is recognised as it accrues at the current interest rate.

A receivable is recognised when the goods are delivered. The company'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. There is no significant financing component because sales (which include those with volume discounts) are made within a credit term of 30-45 days.

Sale of goods – customer loyalty programme

The Company operates a customer loyalty programme. Under this programme points are awarded to customers for purchases made and these points allow them a discount on future purchases. Revenue is recognised when the points are redeemed.

A contract liability is recognised at the point of sale for the revenue relating to the loyalty points.

j) Goods & 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 statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

Notes to the Financial Statements

For the year ended 30 June 2021

k) Comparative Figures

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

Initial adoption of AASB 2018-6 Amendments to Australian Accounting Standards – Definition of a Business

A business specified in AASB 3 Business Combinations, simplifying the determination of whether a transaction should be accounted for as a business combination or an asset acquisition. Entities may also perform a calculation and elect to treat certain acquisitions as acquisitions of assets.

The adoption of these standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

l) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates

Impairment

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

Key judgements

(i) Provision for impairment of receivables

No provisional impairment of receivables for the financial year ending 2021 has been made.

(ii) Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

Notes to the Financial Statements

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Note 2. Revenue and Other Income			
The company has recognised the following amounts relating to revenue in the statement of profit or loss:			
Revenue from contracts with customers	2a	12,425,762	11,909,822
Other sources of revenue	2b	1,209,619	1,119,774
		<u>13,635,381</u>	<u>13,029,596</u>
(a) The company has disaggregated revenue into various categories in the following table:			
The revenue is disaggregated by products service lines.			
Sale of goods		4,709,229	5,164,049
Gaming revenue		7,716,533	6,745,773
		<u>12,425,762</u>	<u>11,909,822</u>
(b) Other sources of revenue:			
Insurance Received		250,000	-
Interest Revenue		1,461	1,337
COVID 19 Assistance		896,100	744,500
Capital Grant		-	300,000
Gain on disposal of property plant and equipment		62,058	73,937
Total other sources of revenues		<u>1,209,619</u>	<u>1,119,774</u>
The company applies the practical expedient in paragraph in AASB 15.121 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.			
Note 3 Profit for the year			
Profit before income tax from continuing operations includes the following specific expenses:			
Expenses			
Cost of goods sold		<u>1,371,656</u>	<u>1,339,911</u>
Interest expense for financial liabilities not classified as at fair value through profit or loss			
— Interest paid on financial liabilities		834	46,088
Total finance costs		<u>834</u>	<u>46,088</u>
Note 4 Key Management Personnel Compensation			
Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company either directly or indirectly. The totals of remuneration paid to key management personnel of the company during the year are as follows:			
Short-term employee benefits		675,595	613,592
Other long term employee benefits		27,025	24,731
		<u>702,620</u>	<u>638,323</u>

Notes to the Financial Statements

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Note 5 Auditor's Remuneration			
Remuneration of the auditor:			
– auditing or reviewing the financial statements		18,590	20,000
– fraud costs		12,000	-
– accounting		4,620	-
		<u>35,210</u>	<u>20,000</u>
Note 7 Cash and Cash Equivalents			
Cash at bank and on hand		<u>3,458,480</u>	<u>1,432,798</u>
	21	<u>3,458,480</u>	<u>1,432,798</u>
Reconciliation of cash			
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:			
Cash and cash equivalents		3,458,480	1,432,798
Short-term bank deposits		-	-
		<u>3,458,480</u>	<u>1,432,798</u>
Note 8 Trade and Other Receivables			
CURRENT			
Trade receivables		22,590	48,304
Loans to directors	19	-	-
Loans to other related parties	19	-	-
Total current trade and other receivables	21	<u>22,590</u>	<u>48,304</u>
Note 9 Inventories			
CURRENT			
At cost:			
Good for resale		171,979	178,415
		<u>171,979</u>	<u>178,415</u>
Note 10 Other assets			
Prepayments		16,340	25,288
Accrued Income		21,461	226,789
		<u>37,801</u>	<u>252,077</u>
Note 11 Property, Plant and Equipment			
LAND AND BUILDINGS			
Freehold land at:			
– At Cost		2,714,719	2,709,457
Total Land		<u>2,714,719</u>	<u>2,709,457</u>
Buildings at:			
– At Cost		18,479,946	17,993,720
Accumulated depreciation		(6,183,384)	(5,761,757)
Total buildings		<u>12,296,562</u>	<u>12,231,963</u>
Total land and buildings		<u>15,011,281</u>	<u>14,941,420</u>

Notes to the Financial Statements

For the year ended 30 June 2021

	2021 \$	2020 \$
PLANT AND EQUIPMENT		
Plant and equipment:	18,315,203	17,789,999
At cost	<u>(12,597,860)</u>	<u>(11,415,433)</u>
Accumulated depreciation	5,717,343	6,374,566
Total plant and equipment	<u>5,717,343</u>	<u>6,374,566</u>
Total property, plant and equipment	<u>20,728,624</u>	<u>21,315,986</u>
Works in Progress	243,336	68,892

Note 12 Right-of-use Assets

The Company's lease portfolio includes land only.
 This lease has an average of 5 years as their lease term.

1. Variable lease payments

The company is not engaged in a lease with variable payment terms correlating with revenue generated.

2. Options to extend or terminate

i) AASB 16 related amounts recognised in the balance sheet

Right-of-use assets

Leased Liability - right to use asset	124,000	155,000
Total right-of-use assets	<u>124,000</u>	<u>155,000</u>

The Company has reported the right to use the asset and the right to use liability as required with the accounting standard AASB116.

The contracted lease resides with the Federation Council and is for part of the land at the Holiday Park.

Note 13 Trade and Other Payables

CURRENT

Unsecured liabilities:		
Trade payables (Creditors)	552,879	150,320
Sundry payables and accrued expenses	340,818	791,150
	30,751	28,782
Other payables (net amount of GST payable)	<u>924,448</u>	<u>970,252</u>

Note 14 Trade and Other Payables

Accommodation Deposits	306,507	284,956
Members Subscriptions in Advance	140,039	122,980
Total contract liabilities	<u>446,546</u>	<u>407,936</u>

A contract liability is recognised in relation to revenue associated with the loyalty points scheme held.

Significant changes in contract liabilities

There were no significant changes in the contract liability balances during the 2021 year.

Notes to the Financial Statements

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Note 15 Borrowings			
CURRENT			
Secured liabilities:- amortised cost:			
Bank loan		—	300,000
Equipment Loans		187,730	256,501
Total current borrowings		<u>187,730</u>	<u>556,501</u>
NON-CURRENT			
Secured liabilities:- amortised cost:			
Equipment Loans		131,081	243,144
Total non-current borrowings		<u>131,081</u>	<u>243,144</u>
Total borrowings	21	<u>318,811</u>	<u>799,645</u>
(a) Total current and non-current secured liabilities:			
Bank Loan		—	300,000
		—	300,000

(c) Collateral provided:

The company have two overdraft loan facilities with a combined total value of \$3,000,000 available on approved construction works and or capital purchases. The balance of funds drawn attract an interest rate of 2.78% calculated daily until funds are repaid. The NAB overdraft facilities are due to expire in February 2022.

Note 16 Provisions

Analysis of Provisions

CURRENT

Employee benefits			
Opening balance at 1 July 2020		417,661	355,642
Additional provisions		—	62,019
Amounts used		(67,902)	—
Balance at 30 June 2021		<u>349,759</u>	<u>417,661</u>
Total		<u>349,759</u>	<u>417,661</u>

NON-CURRENT

Employee benefits			
Opening balance at 1 July 2020		87,086	108,266
Additional provisions		121,624	(21,180)
Balance at 30 June 2021		<u>208,710</u>	<u>87,086</u>
Total		<u>208,710</u>	<u>87,086</u>

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Notes to the Financial Statements

For the year ended 30 June 2021

	Notes	2021 \$	2020 \$
Note 17 Commitments			
(a) Lease Commitments:			
No later than 12 months		31,000	31,000
Short term		124,000	155,000

Note 18 Contingent Liabilities and Contingent Assets

Contingent Liabilities

No contingent liabilities identified.

Contingent Assets

The club has suffered a fraud of \$1,104,000, the former Financial Controller has been charged and the club is pursuing all avenues to recoup the funds.

Note 19 Related Party Transactions

Related parties

The Company's main related parties are as follows:

(a) Directors:

No directors have had commercial dealings with the company

(b) Key Management Personnel:

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.

For details of disclosures relating to key management personnel, refer to Note 4.

Note 20 Events after the Reporting End

Due to the COVID19 lock down and the associated state border restrictions the club faces unpredictable and constantly changing trading conditions.

Note 21 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 9: Financial Instruments as detailed in the accounting policies to these financial statements, are as follows:

	Notes	This Year \$	Last Year \$
Financial assets at amortised cost			
Cash and cash equivalents	7	3,458,480	1,432,798
Receivables	8	22,590	48,304
Total financial assets		<u>3,481,070</u>	<u>1,481,102</u>
Financial liabilities			
Financial liabilities at amortised cost			
– Trade and other payables	13	924,448	970,252
– Contract liabilities	14	446,546	407,936
– Borrowings	15	318,811	799,645
Total financial liabilities		<u>1,689,805</u>	<u>2,177,833</u>

Notes to the Financial Statements

For the year ended 30 June 2021

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, while minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These include the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations. The company does not have any derivative instruments at 30 June 2021.

Note 23 Company Secretary

The following person held the position of company secretary at the end of the financial year. Mr Peter G Duncan - Mr Duncan has worked for the Mulwala Water Ski Club Limited for the past twenty eight years. Mr Duncan was appointed company secretary on the 2nd of December 2009.

Note 24 Members' Liability

The company is incorporated under the Corporations ACT 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute \$20 each towards meeting any of the obligations of the entity.

Membership	2021	2020
Ordinary Members	11,660	11,137
Life Members	6	5
Junior Members	86	94
Total	11,752	11,236

Note 25 Company Details

The registered office of the company is:

Mulwala Water Ski Club Ltd
156 Melbourne Street
MULWALA NSW 2647
www.mulwalawaterski.com

The principal place of business is:

Mulwala Water Ski Club Ltd
156 Melbourne Street
MULWALA NSW 2647
www.mulwalawaterski.com

Directors' Declaration

In accordance with a resolution of the directors of Mulwala Water Ski Club Limited, the directors declare that:

1. The financial statements and notes, as set out in pages 3 to 15, are in accordance with the Corporations Act:
 - (a) comply with the accounting policies described in Note 1 to the financial statements; and
 - (b) give a true and fair view of the financial position as at 30th June 2021 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Dated at Mulwala on this 15th day of October, 2021

M. Holgate


President

Independent Auditor's Report

To the Members of Mulwala Water Ski Club Limited

Opinion

We have audited the financial report of Mulwala Water Ski Club Ltd (the company), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

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

We 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.

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 company's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

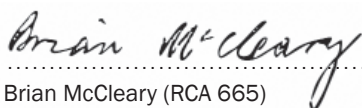
Independent Auditor's Report

To the Members of Mulwala Water Ski Club Limited

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

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



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Brian McCleary (RCA 665)

Brian McCleary & Co

126 End Street, Deniliquin NSW 2710

Dated this 16th day of September 2021

Donations

For the year ended 31 August 2021

Helping Hands
Yarrowonga District Health
Culcairn Public School
Corowa High School
Yarrowonga JC Oval Group
Bluearth Foundation
Tunzafun
Yarrowonga Bowls Club
Yarrowonga/Mulwala Tourism
Yarrowonga Football/Netball Club
Boorhaman Golf Club
Yarrowonga/Mulwala Little Athletics Club
Yarrowonga Neighborhood House
Friends in Common
Billabong Crows Football/Netball Club
Corowa/Rutherglen Football/Netball Club
Yarrowonga Tennis Club
Victorian Speed Boat Club
Australian Formula Powerboat Event Sponsorship
Congupna Football/Netball Club
Salvation Army
Yarrowonga & Border Agricultural Show
Yarrowonga/Mulwala Table Tennis Club