



NEW SOUTH WALES MASONIC CLUB

ABN 79 000 003 289

ANNUAL REPORT

AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024



PRESIDENT'S REPORT



Dear Fellow Members,

As we come up to another AGM I am very pleased to let all our Members, facility uses and visitors know that we have had quite a successful year as a Club and Hotel. I will let our General Manager speak further on these details and the financial statement attached in this Annual Report.

Despite past construction noise and current cycleway construction noise, we will be soon passed all these and embrace having a very modern and high speed Metro Station right next door to us. That means that our patrons will have easy access to our premises and with time this connection should link up to the future airport at Badgerys Creek.

Recently, I had the pleasure of hosting the Club's "Presidents Dinner". Its purpose was to thank the many individuals, organisations and Club Members who use our many facilities from hosting business and hospitality functions to hotel occupation bookings and other ventures that brings business to our Club and Hotel. The night was a "James Bond" themed event complete with Martinis and a blackjack table and Roulette wheel. I am pleased to say that the night was a huge success with great feedback and positive commitments to future business bookings.

Our level 2 Lounge and cafe will also commence a staged upgrade starting with a speedy redesign of the alcove recesses so that these could be booked for dining or individual functions. The "Alcoves" as we are calling these improvements is only the first part of the improvements for the function and services of this level. We propose to have this initial part completed and to be in use by the end of January 2025.

Many would know and have seen the Level 9 hotel room light refurbishment which has proven a great success with our hotel tenants and has delivered a welcomed financial improvement.

The results of the refurbishment have delivered a welcomed increase in hotel income and occupant satisfaction. It took a new step in contemporary heritage design, and particularly the new carpet designs, which I had great pleasure in designing with the assistance of our General Manager.

Given the success of level 9 as a precursor to our intended full level new build of each hotel floor, we have been looking at a similar upgrade of Level 6 as we delivered for Level 9 hotel rooms. However, a decision of this has as yet not been taken as the current Fire Order works are substantial in costs and we may need to utilise the Club's available funds in pursuit of delivering substantial components of Council's imposed Fire Improvement Order on us.

Currently we are targeting the initial full level strip out and rebuild of Level 11 of the hotel for early 2026 and this will commence the yearly rebuild of each hotel floor from top to bottom. The Construction Certificate for these levels is currently being undertaken and expected to be approved in the very near future.

I would like to thank each and every one of our Members and patrons for using our fine and unique facility. Without your continued support, we would not exist. Further, I take this opportunity to draw to your attention the services being delivered by our loyal and hard working staff and management team. I thank each and every one of them.

We are in a great financial position and I extend my appreciation to the huge efforts of your fine Board of Directors for our good financial position.

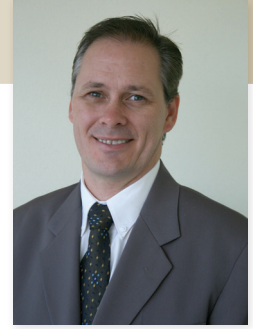
I thank you all again for the privilege of being your President and for your continuing patronship while we progress forward.

Best wishes,

RW Bro Peter Zeilic | President
NSW Masonic Club



GENERAL MANAGER'S REPORT



Dear Members and Guests,

Welcome to the back quarter of 2024 and this new-look Annual Report in lieu of the traditional annual magazine. As we look back on what was yet another exciting year at the NSW Masonic Club, we are thrilled to share our achievements, initiatives and our future plans.

Financial Overview

We are pleased to report that the Club is in a healthy financial position. Our total income for the 2024 Financial year was \$6,664,032, with expenditures totalling \$5,535,569. We experienced a significant increase in all expenses across the business this year. This left us with an audited Nett Profit After Tax of \$1,043,429. Please see a further breakdown of this result in this Annual Report.

Capital Works

This year, we invested a total of \$1.692 million in capital works projects due to the strong trading revenue. This included the refurbishment of 16 rooms on level 9, upgrading the main electrical switchboard, engaging a myriad of Consultants for the Fire Order Upgrade and Construction Certificate for the rooftop and level 6-11 future works, new audiovisual equipment for Cellos Dining Room, new energy-efficient air conditioning plant on level 1, replaced the rusted Cooling Tower stairs, boosted our mobile signal throughout the building and upgraded kitchen equipment to name the major projects.

I would like to sincerely thank our President, Peter Zeilic and his own staff from Dimension 5 Design Architects for their tireless work in coordinating all the consultants required for the Fire Order Works and securing a Construction Certificate for the future level 6 -11 complete accommodation renovations and future rooftop suites should the Club wish to maximise on the rooftop space. This was quite an achievement !

Membership Growth

This year, we welcomed many new members, bringing our total membership to 1695. We sincerely thank our Members and their guests and our hotel guests for their tremendous ongoing support of the Club and Castlereagh Boutique Hotel.

Events and Activities

Throughout the year, we organized and marketed a range of exciting events including: an amazing Titanic Dinner with our own Captain Smith and real artifacts from the RMS Titanic, the high-energy Sorcery & Swing, the ever-popular Faulty Towers Dining Experience, the biggest ANZAC Day in recent years and many more events. We expanded our Sales and Marketing Team at the start of this year to reach new customers.

Looking Ahead

As we wrap up this year and move into 2025, we will 'hit the ground running' with a lot of projects for the team and I to work on. Planned initiatives include:

- The refurbishment of level 6 of the hotel and level 2 Lounge in January 2025
- The Lounge will have a new identity and concept when reopened in late January 2025.
- The commencements of the full refurbishment of lifts 1 & 2 from February 2025.
- Continuation on the City of Sydney imposed Fire Order works including: installation of stair pressurization systems, demolition of parts of the basement to make way for a 500,000 litre fire hydrant tank and pumps and drawing sprinkler lines up the back of the building as key future infrastructure projects.
- Upgrading of the electrical sub boards up to Level 5 and the main electrical switchboard.
- We will also continue our many sustainability initiatives.

Due to the Club's healthy financial position, with our own cash reserves built up following the Covid years, we will also borrow \$4 million to make the above works a reality.



GENERAL MANAGER'S REPORT

CONTINUED

Thank you

I would like to extend our heartfelt thanks to the dedicated and hard-working Board and Management Team and our almost 40 staff members. Your dedication and passion make this club a very special place.

Finally, I would like to thank you, our Members, Guests and Visitors for your ongoing support through the challenging construction of the (almost completed) Sydney Metro Station and Tower, and the Castlereagh Street Cycleway projects. The impact has been horrendous at times.

We encourage all members to stay involved, share your ideas, your feedback, dine in and stay and participate in the many upcoming events. Together, we will make next year even more successful!

Warmest regards

Paul Brasch

General Manager
NSW Masonic Club & Castlereagh Boutique Hotel

love
YOUR CLUB

IT'S TIME TO RENEW YOUR MEMBERSHIP

Don't miss out on the great benefits NSW Masonic Club Members enjoy!

- » 15% Discount on Hotel Accommodation Rates
- » 10% Discount on Food & Beverages throughout the Club
- » Members' Prices for Club Functions
- » Members' Reward Points on Personal Purchases.
- » Reciprocal Club Privileges within Australia and Overseas
- » Club Magazine and Club Chat Newsletter
- » Birthday Wine Voucher and exclusive 'Members Only' Offers



Country Members are entitled to a 20% discount off the best available accommodation rates and a 5% discount on parking. To be considered a Country Member you must live a minimum of 200km from Martin Place, Sydney 2000.

MEMBERSHIP RENEWAL 2024

If you have a due date of 2025 or beyond, your membership has already been paid and is not due for renewal.

Please complete this section and return with payment. Your number and membership type can be found on your card.

Full Name:

Due Date	Member Number	Member Category	Renewing for No. of Years	Amount Due	
31/12/24					
			1 YEAR	3 YEARS	5 YEARS
		Masonic (lodge member) (Category 1)	\$40.00	\$102.00	\$170.00
		Masonic (unattached) (Category 2)	\$50.00	\$127.50	\$200.00
		Associate (Category 3)	\$50.00	\$127.50	\$200.00

CREDIT CARD PAYMENT DETAILS

Cardholder Name:

Please charge my credit card the sum of: \$

Visa Mastercard American Express

Card No.

Expiry Date: /

Signature:

Date:

Return this form, or the form on the front of your Club Magazine address label, plus your payment to:

PO Box A1160, Sydney South NSW 1235
Ph 02 9284 1000 | Fax 02 9284 1045

Online renewals can be completed at www.nswmasonicclub.com.au



NEW SOUTH WALES MASONIC CLUB

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FINANCIAL REPORT

**FOR THE YEAR ENDED
30 JUNE 2024**

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DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

Your directors present their report on the New South Wales Masonic Club (the "Club") for the financial year ended 30 June 2024.

The names, qualifications, experience and special responsibilities of the directors in office at any time during, or since the end of, the year are:

Peter Zeilic, B. Sc., B. Arch, M. Proj Mgmt, Justice of the Peace

Elected to the Board on 23 November 2009.

Occupation: Managing Director, Peter Zeilic Pty Ltd, trading as Dimension 5 Design Architecture & Project Management.

President since 22 November 2021.

Special Responsibilities: Member, House Supply and Staff Committee; Member, Finance Committee.

Peter Read, B. Bus, CPA, GAICD

Elected to the Board on 23 November 2015.

Occupation: Principal, Present and Accounted For, Strategic Financial Consultants.

Vice President since 22 November 2021.

Special Responsibilities: Convenor, Finance Committee.

Stephen George Bates, B. Bus, CA.

Elected to the Board on 25 November 1996.

Occupation: Director, Watson Erskine & Co Pty Ltd, Chartered Accountants.

Special Responsibilities: Treasurer and Member, Finance Committee.

William Redpath, Justice of the Peace

Elected to the Board on 25 November 2019.

Occupation: Retired.

Special Responsibilities: Convenor House, Supply & Staff Committee.

Robert Eaglesham, Dip. All

Elected to the Board on 23 November 2015.

Occupation: Company Director.

Special Responsibilities: Member, Finance Committee.

Gunnar Habitz

Elected to the Board on 22 November 2021.

Occupation: Social Media Consultant.

Special Responsibilities: Member, House Supply and Staff Committee.

Stephen Hodgson, Dip. Co. Directorship, Dip. Forensic Medicine, Justice of the Peace

Elected to the Board on 25 November 2019.

Occupation: Managing Director, KASH Images Pty Ltd, Forensic Inspection Reporting Services & Testing (FIRST).

Special Responsibilities: Member, House Supply and Staff Committee.

David Risbey, BBuild (Hons), Cert IV WHS, GAICD

Elected to the Board on 3 April 2024.

Occupation: Principal, Propel Projects

Special Responsibilities: Member, House Supply and Staff Committee.

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



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

Meetings of Directors

During the financial year, the Board of Directors met on 14 occasions, the House, Supply and Staff Committee met on 12 occasions and the Finance Committee met on 12 occasions. The number of meetings attended by each director during the year out of the total number possible were:

	Board	Committees
SG Bates	12/14	11/12
RJ Eaglesham	13/14	12/12
G Habitz	14/14	12/12
S Hodgson	11/14	10/12
P Read	14/14	12/12
W Redpath	14/14	12/12
D Risbey	4/4	2/3
P Zeilic	13/14	22/24

Club's Objectives

The Club's short term objectives are to:

- Provide Members with bars, restaurant/bistro, meeting rooms, function rooms and a high quality of service;
- Provide Members and guests with high quality accommodation facilities;
- Provide Members and guests with service of the highest practical level;
- Provide Members and guests with a high standard of food and beverage offering;
- Provide appropriate training for staff and directors; and
- Reduce greenhouse gas emissions, where practical, through a program of continuous review of operational activities.

The Club's long term objectives are to:

- Continually upgrade the quality of the hotel in order to maximise its commercial returns for the overall betterment of the Club and the facilities it provides to Members;
- Continually upgrade the quality of service offered by staff; and
- Plan for the upgrade of the entire Club's building infrastructure (electrical and mechanical) that will achieve a reduction in the Club's greenhouse gas emissions.

Strategies

To achieve these objectives the Club has adopted the following strategies:

- Development of an integrated capital improvements program funded from retained and current earnings and future bank finance that will produce reduced greenhouse gas emissions through efficiency of function;
- Development of a refurbishment and maintenance program designed to uphold the heritage status of the building, enhance the quality of the facilities available to Members whilst achieving a reduction in greenhouse gas emissions;
- Maintenance of best practice technology to maximise returns from accommodation and ancillary revenue streams for the benefit of the Club; and
- Commission an annual report to measure annual greenhouse gas emissions.



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

Principal Activities

The principal activities of the Club during the year were to provide Members with amenities and facilities usually associated with a Licensed Social Club and to operate a boutique hotel at not less than a four-star standard. No significant change in the nature of these activities occurred during the year.

These activities have assisted in achieving the short and long term objectives of the Club by being consistent in all respects with those objectives.

Key Performance Measures

The Club measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the Club's short-term and long-term objectives are being achieved. Key performance benchmarks used include:

- Average monthly room rate for accommodation;
- Average monthly room rate for accommodation net of commissions;
- Monthly occupancy rate for accommodation;
- Monthly EBITDA against budget;
- Monthly departmental operating results against budget;
- Cash flow forecasting;
- Function enquiries capture rate;
- Feedback from members, guests and social media;
- Survey of members and guests;
- Membership growth;
- Capital expenditure program against set milestones; and
- Monitoring of regular training programs for employees.

Operating Results

The profit for the year amounted to \$1,043,429 (2023 \$1,055,883) after allowing for income tax expense.

Review of Operations

The accommodation segment achieved a significant increase in revenue compared to the previous year, as did the food and beverage operations. As a result, the contribution achieved from all of the Club's operational areas was \$352,000 higher than the previous year. Costs were \$292,000 higher than the previous year, due to higher costs across the business, mainly personnel, stock purchases, marketing, utilities, and repairs and maintenance costs. Investment and other income were \$64,000 lower than the previous year. The Club's operating profit before tax was marginally lower than the prior year by \$4,000.

Transport for NSW's construction of the Sydney Metro station to the immediate south of the Club's building is now mainly complete. To date there has not been a significant impact on the Club's building and its operations resulting from the Metro construction works. As the project concludes the Metro and the completed tower adjacent to the Club's building is expected to have a positive impact on the Club's operations.



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

Review of Operations (continued)

The Club is progressing its obligations under the Sydney City Council ("SCC") issued Fire Safety Order, supported by our fire safety engineers and heritage consultants to develop a timeline and engineered solution that preserves the heritage character of the Club's building. Substantial capital expenditure will be incurred once the fire safety designs have been finalised and approved by Council. To support such expenditure external bank funding will be required.

Whilst there is no current requirement for Directors to measure and report on the environmental impacts of the Club's operations, we advise that the Board commissioned a report on the Club's estimated greenhouse gas emissions during the 2020/21, 2021/22 and 2022/23 financial years. The 2020/21 report provided the Board with a baseline impact from which to measure against in future financial years. During the past 12 months the Club has reduced its environmental impact by:

- Upgrading plant & equipment for new and far more energy-efficient equipment.
- Changed our in-room collateral: recycling bins, 500ml hotel amenities replaced smaller bottles, water-saving shower heads, digital compendiums,
- "Housekeeping on Demand" in place of daily servicing and paper-less check in option and many more initiatives
- Commissioned an Energy Audit and HVAC audit to understand the building's highest power consumers and to plan for the future.

After Balance Date Events

Subsequent to the reporting date, the Club entered into a contract to upgrade lifts within its building with a contract value of \$756,310, plus GST, which will be financed through existing surplus cash reserves.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Club, the result of those operations, or the state of affairs of the Club in future financial years.

Liability of Members on a Winding Up

For every class of membership the amount for which every Member is liable to contribute if the Club is wound up is:

- (i) Such amount as may be required not exceeding \$4.00;
- (ii) In the event that the liability of any Member of any class becomes unlimited, then such other amount as may be required according to the circumstances in which that event occurred. Any Member's liability becomes unlimited if that Member makes (or knowingly consents to or assists in the making of) an unauthorised payment or transfer of any part of the income or property of the Club to any Member or former Member of the Club or to any person claiming through them.

The Club is governed under the Corporations Act 2001 and is a company limited by guarantee. If the Club is wound up the total amount payable by all Members of every class will, except in any case of unlimited liability, be not more than an amount equal to the number of Members of every class multiplied by \$4.00.



DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2024

Membership

At 30 June 2024 total Members numbered 1,695 comprising 500 Mason Members, 1,055 Associate Members, 121 Affiliate Members, 1 Patron and 18 Honorary Members.

Core Property

The Core Property of the Club as at 30 June 2024 was the property known as 169-173 Castlereagh Street, Sydney.

As at that date there was no Non-Core Property of the Club.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 8 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Peter Zeilic

Director

Dated: 3rd day of October 2024



NEW SOUTH WALES MASONIC CLUB

ABN 79 000 003 289

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NEW SOUTH WALES MASONIC CLUB



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Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF NEW SOUTH WALES MASONIC CLUB

As lead auditor of New South Wales Masonic Club for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

Clayton Eveleigh

Director

BDO Audit Pty Ltd

Sydney, 3 October 2024



NEW SOUTH WALES MASONIC CLUB

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STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Revenue	2	6,664,032	5,882,817
Gain on disposal of assets	2	-	26,462
Raw materials and consumables used		(601,927)	(553,311)
Employment benefits expense	3	(3,034,045)	(2,722,472)
Depreciation of property, plant and equipment	3	(490,840)	(369,801)
Occupancy expense		(935,954)	(749,200)
Other expenses	3	<u>(471,803)</u>	<u>(380,559)</u>
Profit before income tax expense		1,129,463	1,133,936
Income tax expense	4	<u>(86,034)</u>	<u>(78,053)</u>
Profit for the year		<u>1,043,429</u>	<u>1,055,883</u>

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Profit for the year		<u>1,043,429</u>	<u>1,055,883</u>
Other comprehensive income ("OCI") after income tax:			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Net gain on revaluation of non-current assets, net of tax		-	1,520,035
Net loss on revaluation of financial assets at fair value through OCI, net of tax	2	<u>(33,554)</u>	<u>(19,817)</u>
Other comprehensive income for the year, net of tax		<u>(33,554)</u>	<u>1,500,218</u>
Total comprehensive income for the year		<u>1,009,875</u>	<u>2,556,101</u>
Total comprehensive income attributable to:			
Members of the Club		<u>1,009,875</u>	<u>2,556,101</u>



NEW SOUTH WALES MASONIC CLUB

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	5	925,595	1,217,220
Trade and other receivables	6	217,877	162,927
Financial assets	7	1,500,000	1,500,000
Inventories		13,524	14,603
Other assets		<u>60,583</u>	<u>55,888</u>
TOTAL CURRENT ASSETS		<u>2,717,579</u>	<u>2,950,638</u>
NON-CURRENT ASSETS			
Financial assets	7	626,533	649,046
Property, plant and equipment	8	41,728,169	40,526,691
Deferred tax assets	10	<u>122,401</u>	<u>81,075</u>
TOTAL NON-CURRENT ASSETS		<u>42,477,103</u>	<u>41,256,812</u>
TOTAL ASSETS		<u>45,194,682</u>	<u>44,207,450</u>
CURRENT LIABILITIES			
Trade and other payables	9	433,003	521,760
Income tax payable	10	116,175	-
Employee benefits	11	327,264	333,320
Other liabilities	12	<u>160,066</u>	<u>221,750</u>
TOTAL CURRENT LIABILITIES		<u>1,036,508</u>	<u>1,076,830</u>
NON-CURRENT LIABILITIES			
Employee benefits	11	<u>103,124</u>	<u>85,445</u>
TOTAL NON-CURRENT LIABILITIES		<u>103,124</u>	<u>85,445</u>
TOTAL LIABILITIES		<u>1,139,632</u>	<u>1,162,275</u>
NET ASSETS		<u>44,055,050</u>	<u>43,045,175</u>
MEMBERS' EQUITY			
Reserves	14	37,096,796	37,130,350
Retained earnings		<u>6,958,254</u>	<u>5,914,825</u>
TOTAL MEMBERS' EQUITY		<u>44,055,050</u>	<u>43,045,175</u>



NEW SOUTH WALES MASONIC CLUB

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Retained Earnings	Capital Reserve	Asset Revaluation Reserve	Financial Asset Reserve	Total
	\$	\$	\$	\$	\$
Balance as at 30 June 2022	4,858,942	1,319,388	34,283,493	27,251	40,489,074
Profit attributable to Members	1,055,883	-	-	-	1,055,883
Total other comprehensive income for the year	-	-	1,520,035	(19,817)	1,500,218
Balance as at 30 June 2023	5,914,825	1,319,388	35,803,528	7,434	43,045,175
Profit attributable to Members	1,043,429	-	-	-	1,043,429
Total other comprehensive income for the year	-	-	-	(33,554)	(33,554)
Balance as at 30 June 2024	6,958,254	1,319,388	35,803,528	(26,120)	44,055,050



NEW SOUTH WALES MASONIC CLUB

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, guests & customers		8,095,841	6,603,945
Payments to suppliers & employees		(6,971,520)	(5,129,319)
Rent received		187,769	199,706
Dividends received		35,401	30,145
Interest received		75,428	24,502
Income tax refund received		<u>-</u>	<u>47,047</u>
Net cash provided by operating activities		<u>1,422,919</u>	<u>1,776,026</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	8	(1,692,318)	(834,375)
Proceeds from sale of investments		-	55,355
Payments for investments in listed securities		(22,226)	(145,442)
Funds (invested in) from term deposits		<u>-</u>	<u>(800,000)</u>
Net cash (used in) investing activities		<u>(1,714,544)</u>	<u>(1,724,462)</u>
Net (decrease)/increase in cash		(291,625)	51,564
Cash and cash equivalents at beginning of the financial year		<u>1,217,220</u>	<u>1,165,656</u>
Cash and cash equivalents at end of the financial year	5	<u>925,595</u>	<u>1,217,220</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

The financial statements cover the New South Wales Masonic Club (the “Club”) as an individual entity, incorporated and domiciled in Australia. The Club is a company limited by guarantee.

The financial statements were authorised for issue on 3 October 2024 by the directors of the Club.

NOTE 1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards – Simplified Disclosures and Interpretations of the Australian Accounting Standards Board. The Club is a not-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, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts in the financial statements have been rounded to the nearest dollar.

Disclosure of Accounting Policy Amendments

The Company adopted *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* from 1 July 2023. While amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’ rather than ‘significant’ accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users require to understand the information in the financial statements.

The accounting policies disclosed in the financial statements are reflective of the adoption of these amendments.

The following Accounting Standards and Interpretations are most relevant to the Club:

Accounting Policies

(a) Income Tax

The income tax expense/(benefit) for the year comprises current income tax expense/ (benefit) and deferred tax expense/(benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities/(assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

(a) Income Tax (continued)

Current and deferred income tax expense/(income) is charged or credited outside the profit and loss when the tax relates to items that are recognised outside the profit and loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value.

(c) Property, Plant and Equipment

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

Land and Buildings

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in other comprehensive income. Decreases that offset previous increases of the same asset are charged against revaluation surpluses directly in other comprehensive income; all other decreases are charged to the profit and loss account.

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.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

(c) Property, Plant and Equipment (continued)

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Club commencing from the time the asset is held ready for use. Depreciation is recognised in the profit and loss account.

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

Class of Fixed Asset	Depreciation Rate
Buildings	1.0% - 2.5%
Plant & Equipment	10.0% – 33.3%

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 and losses are included in the profit and loss account. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) Financial Instruments

Financial instruments are recognised initially on the date that the Club becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

(d) Financial Instruments (continued)

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Club classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

Financial assets are not reclassified subsequent to their initial recognition unless the Club changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Clubs financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

The Clubs investments in equity instruments not held for trading have been designated as fair value through other comprehensive income. The movement in fair value on equity instruments is accumulated in the financial assets reserve.

Dividend revenue received on underlying equity instruments investment is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

Financial assets (continued)

Trade receivables (and contract assets)

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Club has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in the statement of profit or loss. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The Club measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Club comprise trade and other payables.

(e) Impairment of Assets

At the end of each reporting period, the Club assesses whether there is any indication that an asset has been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit and loss account.

Where it is not possible to estimate the recoverable amount of an individual asset, the Club estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Employee Benefits

Provision is made for the Club's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employees may not satisfy vesting requirements. Those cash flows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cash flows.

(g) Provisions

Provisions are recognised when the Club 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 using the best estimate of the amounts required to settle the obligation at reporting date.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

(h) Cash and 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 short-term borrowings in current liabilities on the statement of financial position.

(i) Revenue Recognition

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as the performance obligations are satisfied.

Accommodation revenue

Accommodation revenue is recognised at the point in time services are provided to the guest.

Room hire revenue

Other room hire is recognised at the point in time the service is provided to the hirer.

Food and beverage sales

Food and beverage sales are recognised at the time the goods are delivered to the customer, being the point of sale. Income received in advance of the date of food and beverage consumption is deferred.

Membership subscription revenue

Membership income is recognised over time, through the period to which the membership renewal relates. Any membership subscription revenue relating to periods beyond the current financial year is carried forward in the Statement of Financial Position as income received in advance.

Rental income

Rental income from the tenanted shops is recognised on a straight line basis over the term of the lease.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Dividend income

Dividend revenue is recognised when the right to receive a dividend has been established.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

(i) Revenue Recognition (continued)

Compensation payments received

Compensation payments are payments received from third parties to compensate for works occurring on and around the Club's premises. These payments are recognised as income when it is received or when the right to receive payment is established.

(j) Goods and Services Tax ("GST")

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

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

(k) Comparative Figures

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

NOTE 2: REVENUE AND OTHER INCOME	2024	2023
	\$	\$
Provision of accommodation services	5,366,888	4,713,503
Commissions paid	<u>(727,047)</u>	<u>(590,827)</u>
Net accommodation revenue	4,639,841	4,122,676
Sales of food and beverage	1,222,801	1,030,676
Rent received	170,699	181,551
Members' subscriptions	74,487	44,658
Room hire	225,848	195,717
Interest received	76,091	36,963
Dividends received	35,401	30,145
Compensation payments received	210,291	218,064
Other	<u>8,573</u>	<u>22,367</u>
Total revenue	<u>6,664,032</u>	<u>5,882,817</u>
Other (expense)/income:		
Net gain on disposal of investments	<u>-</u>	<u>26,462</u>
Other comprehensive income:		
Net loss on available-for-sale financial assets at fair value (after tax effect)	<u>(33,554)</u>	<u>(19,817)</u>

Net loss on fair value of financial assets has been determined with reference to the market value of the investments at reporting date.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 3: PROFIT BEFORE INCOME TAX	2024	2023
	\$	\$
Depreciation of buildings	341,593	333,627
Depreciation of plant and equipment	149,247	36,174
Superannuation expense	257,581	202,950
Auditor's remuneration – for audit services	31,000	29,500
Auditor's remuneration – for taxation services	<u>4,996</u>	<u>3,734</u>

NOTE 4: INCOME TAX EXPENSE

The components of tax expense comprise:

Current tax	116,175	-
Deferred tax	<u>(30,141)</u>	<u>78,053</u>
	<u>86,034</u>	<u>78,053</u>

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2024	2023
	\$	\$
Prima facie tax payable at 25% (2023: 25%)	282,366	283,484
Add/(less) tax effect of:		
Mutuality rate change on timing differences	(1,946)	(14,500)
Franked dividends received	(9,917)	2,724
Net non-allowable/non-assessable items	(2,954)	(2,685)
Net mutual income and non-allowable items	(49,308)	(47,331)
Prior years' tax losses recouped	<u>(132,207)</u>	<u>(143,639)</u>
Income Tax Expense	<u>86,034</u>	<u>78,053</u>
The applicable weighted average effective tax rates are:	<u>7.61%</u>	<u>6.88%</u>

NOTE 5: CASH AND CASH EQUIVALENTS

Cash on hand	5,000	5,000
Cash at bank	<u>920,595</u>	<u>1,212,220</u>
	<u>925,595</u>	<u>1,217,220</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 6: TRADE AND OTHER RECEIVABLES	2024	2023
	\$	\$
Current		
Trade receivables	170,376	138,232
Provision for expected credit losses	(5,155)	(5,155)
Other receivables	<u>52,656</u>	<u>29,850</u>
	<u>217,877</u>	<u>162,927</u>

Lease commitments receivable

Future minimum lease payments receivable from non-cancellable operating leases over premises owned and let by the Club at reporting date:

Receivable -

Not later than one year	83,541	79,960
Later than one year and not later than five years	<u>49,925</u>	<u>52,458</u>
	<u>133,466</u>	<u>132,418</u>

NOTE 7: FINANCIAL ASSETS

Current

Fixed interest deposits	<u>1,500,000</u>	<u>1,500,000</u>
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Non-Current

Investments in equity instruments designated as at fair value through other comprehensive income

Listed investments:

Shares in listed corporations	<u>626,533</u>	<u>649,046</u>
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Investments in equity instruments comprise investments in the ordinary share capital of various entities, and are accounted for at fair value through other comprehensive income. There are no fixed returns or fixed maturity dates attached to these investments. The Club is not-for-profit entity and, as such, is unable to distribute imputation credits derived from its dividend revenue.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8: PROPERTY, PLANT & EQUIPMENT

	2024	2023
	\$	\$
(a) Land and Buildings		
Freehold land at independent valuation 2023	<u>13,000,000</u>	<u>13,000,000</u>
Buildings, lifts and integral plant and equipment - at independent valuation 2023	26,425,000	26,425,000
Accumulated depreciation	<u>(264,250)</u>	<u>-</u>
	<u>26,160,750</u>	<u>26,425,000</u>
Building improvements – at cost	643,298	-
Accumulated depreciation	<u>(77,343)</u>	<u>-</u>
	<u>565,955</u>	<u>-</u>
Total buildings	<u>26,726,705</u>	<u>26,425,000</u>
Total land and buildings	<u>39,726,705</u>	<u>39,425,000</u>
(b) Plant and Equipment		
Plant, furniture and equipment – at cost	3,038,144	2,817,213
Accumulated depreciation	<u>(2,609,376)</u>	<u>(2,460,130)</u>
	<u>428,768</u>	<u>357,083</u>
Capital works in progress – at cost	<u>1,572,696</u>	<u>744,608</u>
Total plant and equipment	<u>2,001,464</u>	<u>1,101,691</u>
Total property, plant and equipment	<u>41,728,169</u>	<u>40,526,691</u>

Movements in carrying amounts

The movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Freehold Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
Balance at the beginning of the year	13,000,000	26,425,000	1,101,691	40,526,691
Additions	-	643,298	1,049,020	1,692,318
Depreciation	-	(341,593)	(149,247)	(490,840)
Carrying amount at the end of the year	<u>13,000,000</u>	<u>26,726,705</u>	<u>2,001,464</u>	<u>41,728,169</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 8: PROPERTY, PLANT & EQUIPMENT (continued)

Asset revaluations

The freehold land and buildings were independently valued at 30 June 2023 by Andrew Nock Pty Limited. The valuation was based on fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and buildings, recent sales data for land and buildings in the area and took into account the heritage status of the building. The valuation resulted in a valuation increment of \$1,520,035 being recognised in the revaluation reserve for the year ended 30 June 2023.

The Directors' have reviewed the carrying amounts of rental property assets at 30 June 2024, and determined there to be no material change to the value as determined in the valuation performed at 30 June 2023.

NOTE 9: TRADE AND OTHER PAYABLES

	2024	2023
	\$	\$
Current		
Trade payables	111,263	109,296
Sundry payables and accrued expenses	<u>321,740</u>	<u>412,464</u>
	<u>433,003</u>	<u>521,760</u>

NOTE 10: INCOME TAX

Liabilities

Current

Income tax payable	<u>116,175</u>	<u>-</u>
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Deferred Tax Assets comprise:

Provisions and accruals	87,580	83,056
Property, plant & equipment – tax allowances	26,114	497
Revaluation adjustments taken directly to equity	<u>8,707</u>	<u>(2,478)</u>
Total net non-current deferred tax assets	<u>122,401</u>	<u>81,075</u>

NOTE 11: EMPLOYEE BENEFITS

Current

Employee entitlements		
Annual leave	191,497	210,959
Long service leave	<u>135,767</u>	<u>122,361</u>
	<u>327,264</u>	<u>333,320</u>

Non-Current

Employee entitlements		
Long service leave	<u>103,124</u>	<u>85,445</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 11: EMPLOYEE BENEFITS (continued)

A provision has been recognised for employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon the historical data. The measurement and recognition criteria for employee benefits have been included in Note 1(f).

	2024	2023
	\$	\$

NOTE 12: OTHER LIABILITIES

Current

Subscriptions received in advance	84,124	107,846
Advance booking deposits	75,942	89,474
Deferred income	<u>-</u>	<u>24,430</u>
	<u>160,066</u>	<u>221,750</u>

NOTE 13: RELATED PARTY TRANSACTIONS

The following benefits were provided to directors and their guests under the terms of the resolutions passed at the 2023 Annual General Meeting:

	2024	2023
	\$	\$

Meetings – food and beverages	9,777	9,418
Accommodation and travelling	2,526	1,880
President's dinner	11,087	-
Board members' partners night	2,241	2,625
Professional development	50	247
Food and beverage allowance - directors	18,704	10,029
Directors' fees paid or payable to all directors of the Club	<u>48,750</u>	<u>47,500</u>

	2024	2023
	No.	No.

The number of directors whose income from the Club fell within the following bands:

\$0 - \$10,000	7	6
\$10,001 - \$20,000	1	1

NOTE 14: RESERVES

(a) Capital Reserve

The capital reserve records profits on sale of non-current assets.

(b) Asset Revaluation Reserve

The asset revaluation reserve records revaluations of non-current assets.

(c) Financial Assets Reserve

The financial assets reserve records revaluation of financial assets.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 15: KEY MANAGEMENT PERSONNEL COMPENSATION

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 (KMP).

The totals of remuneration paid to KMP of the Club during the year are as follows:

	2024	2023
	\$	\$
KMP compensation	<u>273,215</u>	<u>248,462</u>

There were no other related party transactions during the year other than as disclosed in Note 20. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 16: CAPITAL AND LEASING COMMITMENTS

Capital expenditure commitments

Capital expenditure and leasing commitments contracted for at the reporting date amounted to \$nil (2023 \$nil).

However, The Club is progressing its obligations under the Sydney City Council ("SCC") issued Fire Safety Order, supported by our fire safety engineers and heritage consultants to develop a timeline and engineered solution that preserves the heritage character of the Club's building. Substantial capital expenditure will be incurred once the fire safety designs have been finalised and approved by Council. To support such expenditure external bank funding will be required.

NOTE 17: CONTINGENT ASSETS AND CONTINGENT LIABILITIES

There are no contingent assets or liabilities.

NOTE 18: MEMBERS' GUARANTEE

The Club is a company limited by guarantee, incorporated and domiciled in Australia. If the Club is wound up, the Memorandum of Association states that each Member is required to contribute a maximum of \$4 each towards meeting any outstanding obligations of the Club. At the reporting date the number of Members was 1,695 (2023 – 1,779).

In any case, where a Member has been in breach of paragraph 4 of the Club's constitution, entitled "Memorandum of Association", the liability of a Member on winding up is unlimited. Please refer to "Liability of Members on a Winding Up" as set out in the Directors' Report.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 19: EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date, the Club entered into a contract to upgrade lifts within its building with a contract value of \$756,310, plus GST, which will be financed through existing surplus cash reserves.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Club, the result of those operations, or the state of affairs of the Club in future financial years.

NOTE 20: SPECIAL REPORTING REQUIREMENTS

The Registered Clubs Act (as amended) requires the Club to make available to Members the following information in relation to the financial year:

- | | |
|---|----------|
| (i) There were no contracts of employment with a top executive of the Club approved during the reporting period. | |
| (ii) Purpose and details of overseas travel by a director or employee of the Club. | Nil |
| (iii) Total profits/(losses) from gaming machines in the Club during the 12 month period ended 31 August in the financial year to which this report relates. | Nil |
| (iv) Amount applied by the Club to community development and support during the 12 month period ended 30 November in the financial year to which this report relates. | Nil |
| (v) Loans made to employees of the Club. | Nil |
| (vi) Consultants to the Club that were paid in excess of \$30,000: | Nil |
| (vii) Total consultancy fees paid, excluding amounts disclosed above. | \$46,468 |
| (viii) There was no settlement made with a Member of the governing body or employee as a result of a legal dispute and no associated legal fees. | |
| (ix) No legal fees were paid on behalf of a Member of the governing body or an employee. | |
| (x) The Core Property of the Club as at 30 June 2024 was the property known as 169-173 Castlereagh Street, Sydney. | |

As at that date there was no Non-Core Property of the Club.

- (xi) Set out below are disclosures made by a director, top executive or employee in relation to:
- A material personal interest that a director has in a matter relating to the affairs of the Club – nil.
 - A personal or financial interest of a director or top executive in a contract relating to the procurement of goods or services or any major capital works of the Club:
 - Peter Zeilic - \$470,193, for architectural services rendered in relation to applying to local council for a construction certificate and fire order compliance work.
 - Any financial interest of a director or top executive in a hotel situated within 40 kilometres of the Club's premises – nil.
 - A gift or remuneration of \$1,000 or more from an affiliated body of the Club or from a person or body that has entered into a contract with the Club – nil.
- (xii) Donations made to the Club's internal sub-clubs, other entities utilising the Club's facilities and charitable institutions amounted to \$2,268.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

NOTE 20: SPECIAL REPORTING REQUIREMENTS (continued)

Training

The Board of Directors has met its governance obligations under Part 6 of the Registered Clubs Regulations 2015. The following directors and General Manager (Club Secretary) have completed the required training, as prescribed:

Stephen Bates	Director
Robert Eaglesham	Director
Stephen Hodgson	Director
William Redpath	Director
David Risbey	Director
Paul Brasch	General Manager



NEW SOUTH WALES MASONIC CLUB

ABN 79 000 003 289

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

New South Wales Masonic Club has no controlled entities and, therefore, is not required by the Australian Accounting Standards to prepare consolidated financial statements.

In accordance with subsection 295(3A) of the Corporations Act 2001 no further information is required to be disclosed in this Consolidated Entity Disclosure Statement.



DIRECTORS' DECLARATION

The directors of the New South Wales Masonic Club (the "Company") declare that:

1. The financial statements and notes are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards – Simplified Disclosures applicable to the Company;
 - (b) give a true and fair view of the financial position as at 30 June 2024 and performance for the year ended on that date of the Company; and
 - (c) the attached consolidated entity disclosure statement is true and correct.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Peter Zeilic
Director

Dated: 3rd day of October 2024

INDEPENDENT AUDITOR'S REPORT

To the members of New South Wales Masonic Club

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of New South Wales Masonic Club (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss, the statement of 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 report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of New South Wales Masonic Club, 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 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for opinion

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

We 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.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' report and Trading Account reports, 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 on the other information obtained prior to the date of this auditor's report, 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:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosures and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

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

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

In preparing the financial report, the directors are responsible for assessing the 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



Clayton Eveleigh
Director

Sydney, 3 October 2024



NEW SOUTH WALES MASONIC CLUB

ABN 79 000 003 289

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Income			
Trading profit		2,892,574	2,540,160
Members' subscriptions		74,487	44,658
Donations		-	-
Rent received		170,699	181,551
Room hire		123,552	195,717
Interest received		76,091	36,963
Dividends received		35,401	30,145
Net gain on disposal of investments		-	26,462
Net loss on disposal of property, plant & equipment		-	-
Sundry income		<u>211,157</u>	<u>240,432</u>
		<u>3,583,961</u>	<u>3,296,088</u>
Expenses			
General overhead expenses		920,392	766,690
Administration expenses		756,397	758,274
Auditors' remuneration:			
Audit fees		31,000	29,500
Accountancy and taxation services		4,996	3,734
Donations		2,268	1,647
Social amenities and activities		30,165	33,117
Directors' and related persons' benefits	13	44,385	22,319
Directors' fees		48,750	47,500
Depreciation:			
Building		341,593	333,627
Plant and equipment		149,247	36,174
Rates and taxes		<u>125,305</u>	<u>129,570</u>
		<u>2,454,498</u>	<u>2,162,152</u>
Profit before income tax		1,129,463	1,133,936
Income tax expense	4	<u>(86,034)</u>	<u>(78,053)</u>
Profit after income tax		<u>1,043,429</u>	<u>1,055,883</u>



NEW SOUTH WALES MASONIC CLUB

ABN 79 000 003 289

TRADING ACCOUNT FOR THE YEAR ENDED 30 JUNE 2024

	Accomm- odation \$	Reagh Bar \$	Cellos \$	Lounge Bar \$	Total 2024 \$	Total 2023 \$
Income						
Sales	4,647,548	154,211	939,008	231,877	5,972,644	5,153,352
Expenses						
Cost of Sales	163,756	52,631	302,252	83,288	601,927	553,310
Gross Profit	4,483,792	101,580	636,756	148,589	5,370,717	4,600,042
Direct labour expenses	1,413,497	120,982	566,472	129,666	2,230,617	1,894,606
Direct expenses	207,540	-	32,079	7,907	247,526	165,276
	1,621,037	120,982	598,551	137,573	2,478,143	2,059,882
Trading profit	2,862,755	(19,402)	38,205	11,016	2,892,574	2,540,160



CASTLEREAGH
Boutique Hotel

NEW SOUTH WALES MASONIC CLUB
CASTLEREAGH BOUTIQUE HOTEL
EST 1893

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