

Sydney Rowing Club Limited

ABN 12 000 995 746

DIRECTORS' REPORT

30 JUNE 2024

Directors

Your directors present their report on the company for the financial year ended 30 June 2024. The names of the directors in office at any time during the financial year, or since the end of the year are:

K. E. Jameson	(appointed 01/05/1979)
S. Handley	(appointed 19/09/2004)
M. Morgan	(appointed 17/09/2006)
D. Sollom	(appointed 17/06/2006 and resigned 24/09/2023)
S. Turner	(appointed 23/09/2007)
K. Liljeqvist	(appointed 29/09/2013)
D. Boakes	(appointed 17/08/2020 and resigned 24/09/2023)
A. Potter	(appointed 21/11/2021)
A. L. Nichol	(appointed 25/09/2022 and resigned 22/01/2024)
W.S. Downey	(appointed 24/09/2023)
S. J. Woodward	(appointed 24/09/2023)
I. Furrer	(appointed 22/01/2024)

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

Company secretary

The following person held the position of company secretary at the end of the financial year:

Peter Grosvenor was appointed secretary on 20 April 2009. Peter has worked in the hospitality industry for over 30 years with the last 25 years in the club industry.

Principal activities

The principal activity of Sydney Rowing Club Limited (hereinafter referred to as "the club" or "the company") is to promote the sport of rowing and provide members and their guests with the amenities and facilities usually associated with a sporting club. No significant changes in the nature of these activities have occurred during the year.

The company's short-term objectives are:

- To expand the number of members competing in the sport and to aim for the highest standards of performance.
- To provide a high level of club house services that meet the needs of the local community.

The company's long term objectives are:

- To promote the sport of rowing.
- To provide for members and guests a social and sporting club with all the usual facilities of a registered club.

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

- The club has identified a range of programs that match the requirements of the active rowing members, and endeavours to provide the necessary level of equipment, coaching and support to the members to permit them to be successful at the highest possible level.
- The club attracts and retains quality staff that are committed to providing quality service to the members.
- The club regularly reviews the club's facilities, customer needs and industry trends, to ensure the registered club meets the needs of members and the local community.

Operating results

The net deficit of Sydney Rowing Club Limited amounted to \$20,224 (2023: net surplus \$618,521).

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DIRECTORS' REPORT (CONTINUED)

30 JUNE 2024

Key performance measures

The company 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 company's short-term and long-term objectives are being achieved.

	2024		2023	
	Actual	Benchmark	Actual	Benchmark
Members				
Number of members	13,411	13,000	12,728	12,000
Number of rowing members	172	130	119	150
Staff				
Number of management	7	7	7	7
Turnover of management	0%	15%	0%	15%
Operational and financial				
<i>Annual Financial Indicators:</i>				
	\$	\$	\$	\$
Total net profit	(20,224)	338,804	618,521	211,556
Gaming net profit	791,456	970,735	1,083,770	836,404
Beverage net profit	1,380,168	1,409,374	1,359,153	1,230,403
Catering licence revenue	559,204	556,400	526,584	520,000
Membership subscription revenue	306,074	332,000	314,393	301,000
<i>Proportion of funding spent on:</i>				
Rowing program	1,288,306	1,097,669	935,286	876,249
Elite athlete support	52,940	50,000	44,296	50,000
Staff training	18,117	14,600	11,596	12,200

Information on Directors

Director	Office Holdings	Occupation	Qualification and experience
K. E. Jameson	President	Retired	BA (Accounting) CPA, member since 1962, director since 1979, member of the Building, Finance and Regatta committees.
S. Handley	Vice President	Company Director	Background in banking and electronics engineering, member since 1970, director since 2004, member of the Finance and Regatta Committees, school and club coach since 1979.
M. Morgan	Vice President	Retired	Teacher for 25 years, and professional rowing coach, member since 1964 and director since 2006.
S. Turner	Finance Director	Chartered Accountant	Bachelor of Business, member since 1980, director since 2007, member of the Finance Committee.
K. Liljeqvist	Director	Accountant	B. Bus (Land Economy) Grad. Dip. Accounting, CPA. Member since 1997, member of the Finance Committee.
A. Potter	Director	Interior Designer	Dip (Art and Design) Over 10 years experience in Corporate Office Design, Business owner for last 12 years specializing in Residential design – Space planning and Interior design.
W.S. Downey	Director	Management	Bachelor of Science (hons) UK, studying MBA specialising in Innovative Finance at Sydney University. Retired Athlete.
S. Woodward	Director	Insurance Broker	Bachelor of Business, Diploma in Financial Services (Brokering), CIP (Senior Assoc). Member since 2008. Retired Athlete.
I. Furrer	Director	Nursing	Bachelor of Nursing at the University of Notre Dame. Nurse at St Vincent's Public Hospital. Member since 2018.
D. Sollom	Director	Company Director	Member since 1957, Honorary Treasurer 1981 to 1988, director since 2007, member of the Finance and Building committees. (Resigned 24/09/2023)
D. Boakes	Captain	Data Analyst	Studied commerce liberal studies at Sydney University, graduating in 2020. Working as a data analyst for Sydney based sustainability and consultancy. (Resigned 24/09/2023).
A.L. Nichol	Vice Captain	Student	B. Sport & Exercise Management at UTS (Graduating in 2023), High-Performance Manager and Marketing Intern at the New South Wales Institute of Sport. Rowing Coach - 6 years experience. Member since 2016 (Resigned 22/01/2024).

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DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Meetings of Directors

During the financial year, 24 meetings of directors were held. Attendances by each director during the year were as follows:

K. E. Jameson 24	K. Liljeqvist 20	S. Woodward 13 [^]	S. Handley 19
D. Boakes 5*	I. Furrer 10 [^]	M. Morgan 22	A. Potter 21
D. Sollom 5*	A. L. Nichol 9*	S. Turner 22	W.S. Downey 16 [^]

* retired in the year. [^] appointed in the year.

Contributions on winding up

The company is incorporated under the Corporation Act 2001 and is an company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$2 each towards meeting any outstanding obligations of the company. At 30 June 2024, the total amount that members of the company are liable to contribute if the company is wound up is \$26,822 (2023: \$25,456).

Proceedings on behalf of the company

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

The Company was not a party to any such proceedings during the year.

After balance date events

No matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the company, the results of the operation, or the company's state of affairs. .

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the company during the financial year.

Likely developments and expected results of operations

Information on likely developments in the operations of the company and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Auditor's independence declaration

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

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



K.E. Jameson
Director



S. Turner
Director

Dated: 5 August 2024

5 August 2024

The Board of Directors,
Sydney Rowing Club Limited
613 Great North Road,
ABBOTSFORD, NSW 2046

Dear Board Members

Sydney Rowing 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 Sydney Rowing Club Limited.

As lead audit partner for the audit of the financial report of Sydney Rowing Club Limited for the financial year ended 30 June 2024, I declare that to the best of my knowledge and belief, that there have been no contraventions of:

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

Yours sincerely

**Crowe Sydney****Bede Clarke**
Associate Partner

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Sydney Rowing Club Limited

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		\$	\$
Revenue	2	6,850,326	6,974,663
Cost of sales		(1,003,655)	(972,922)
Gross operating surplus		5,846,671	6,001,741
Other income	2	173,580	115,382
Clubhouse expenses		(1,220,638)	(1,093,953)
Rowing expenses		(1,288,306)	(935,286)
Bar expenses		(1,617,136)	(1,487,929)
Poker machine expenses		(910,821)	(967,147)
Keno expenses		(4,225)	(4,214)
Administration expenses		(889,051)	(901,670)
Borrowing costs	3	(50,101)	(48,579)
Other expenses		(60,197)	(59,824)
(Deficit) / Surplus for the year attributable to members		(20,224)	618,521
Other comprehensive income for the year			
Gain on revaluation of land and buildings		-	2,671,006
Total comprehensive (loss) / income for the year attributable to members		(20,224)	3,289,527

The accompanying notes form part of the financial statements

Sydney Rowing Club Limited

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STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Note	2024 \$	2023 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	1,713,919	1,885,035
Trade and other receivables	6	270,632	366,632
Inventories		97,573	93,121
Total current assets		<u>2,082,124</u>	<u>2,344,788</u>
Non-current assets			
Property, plant and equipment	7	15,799,015	15,807,729
Work in progress	8	640,248	247,190
Total non-current assets		<u>16,439,263</u>	<u>16,054,919</u>
TOTAL ASSETS		<u>18,521,387</u>	<u>18,399,707</u>
LIABILITIES			
Current liabilities			
Trade and other payables	9	493,188	428,947
Contract liabilities	10	100,582	63,560
Provisions	11	390,365	353,307
Lease liabilities	12	13,043	12,659
Total current liabilities		<u>997,178</u>	<u>858,473</u>
Non-current liabilities			
Provisions	11	70,035	53,794
Lease liabilities	12	177,042	190,085
Total non-current liabilities		<u>247,077</u>	<u>243,879</u>
TOTAL LIABILITIES		<u>1,244,255</u>	<u>1,102,352</u>
NET ASSETS		<u>17,277,132</u>	<u>17,297,355</u>
EQUITY			
Reserves	13	9,491,959	9,491,959
Retained earnings		7,785,173	7,805,396
TOTAL EQUITY		<u>17,277,132</u>	<u>17,297,355</u>

The accompanying notes form part of the financial statements

Sydney Rowing Club Limited

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

	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 1 July 2023	7,805,396	9,491,959	17,297,355
Deficit for the year	(20,224)	-	(20,224)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(20,224)	-	(20,224)
Balance as at 30 June 2024	7,785,173	9,491,959	17,277,132
Balance at 1 July 2022	7,186,875	6,820,953	14,007,828
Surplus for the year	618,521	-	618,521
Other comprehensive income for the year	-	2,671,006	2,671,006
Total comprehensive income for the year	618,521	2,671,006	3,289,527
Balance as at 30 June 2023	7,805,396	9,491,959	17,297,355

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		7,615,847	7,626,224
Payments to suppliers and employees		(6,782,170)	(6,571,332)
Interest received	2	81,033	58,830
Interest paid		(5,802)	(6,175)
Net cash from operating activities		908,908	1,107,547
Cash flows from investing activities			
Acquisition of plant and equipment and WIP		(1,127,852)	(1,278,623)
Proceeds from sale of plant and equipment		54,685	9,525
Net cash used in investing activities		(1,073,167)	(1,219,098)
Cash flows from financing activities			
Repayment of lease liabilities		(6,857)	(6,112)
Net cash used in financing activities		(6,857)	(6,112)
Net increase in cash held		(171,116)	(117,663)
Net (decrease) / increase in cash held		1,885,035	2,002,698
Cash and cash equivalents at end of financial year	5	1,713,919	1,885,035

The accompanying notes form part of the financial statements

Sydney Rowing Club Limited

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NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2024

NOTE 1: MATERIAL ACCOUNTING POLICIES

The financial statements are for Sydney Rowing Club Limited as an individual company (the company). Sydney Rowing Club Limited is a company limited by guarantee, incorporated and domiciled in Australia. The company is a not-for-profit company for financial reporting purposes under Australian Accounting Standards. The presentation currency is Australian dollars.

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

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

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

Basis of preparation

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

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. The amounts presented in the financial statements have been rounded to the nearest dollar.

The directors have the power to amend and revise the financial statements. The financial statements were authorised for issue on 5 August 2024 by the directors of the company.

(a) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

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

(c) Critical accounting estimates and judgements

The preparation of the financial statements requires the use of certain accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity are detailed below. The directors evaluate estimates and judgments 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. The resulting accounting judgments and estimates will seldom equal the actual results.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

Valuation - Land and Buildings

The Company's freehold land and building were independently valued at 23 March 2023 by Preston Rowe Paterson. The valuation was based on the fair value using the value per square metre of land and the current replacement cost of the buildings. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

Depreciation

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

Employee benefits provision

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

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term.

Incremental borrowing rate

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

	2024	2023
	\$	\$
NOTE 2 REVENUE AND OTHER INCOME		
Revenue		
<i>Revenue from club operations:</i>		
Bar sales	3,984,925	3,816,432
Poker machine revenue	1,702,277	2,050,917
Mercery sales	14,902	3,402
Keno commission	10,345	11,707
Catering fee and function income	771,131	726,788
Membership subscriptions	306,074	314,393
Fundraising income	60,672	51,024
Total revenue	<u>6,850,326</u>	<u>6,974,663</u>
Other income		
Interest	81,033	58,830
Net gain/(loss) on disposal of plant and equipment	52,446	39,306
Other - including government assistance provided under the Job Saver scheme	40,101	17,246
Total other income	<u>173,580</u>	<u>115,382</u>
Timing of revenue recognition		
Goods or service transferred at a point in time	6,544,252	6,660,270
Goods or service transferred over time	306,074	314,393
	<u>6,850,326</u>	<u>6,974,663</u>

Accounting Policy

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

Sale of goods

Revenue from the sale of goods is comprised of revenue earned from the provision of food, beverage and other goods and is recognised (net of rebates, returns, discounts and other allowances) at a point in time when the performance obligation is satisfied, that is on delivery of goods to the customer.

Poker machine revenue

Revenue from poker machine gaming is recognised at a point in time when the performance obligation is satisfied, that is on the completion of a game by the customer.

Membership Subscriptions

Membership subscriptions run from 1 July to 30 June. Only those membership subscriptions that are attributable to the current financial year are brought to account as revenue. Subscriptions relating to periods beyond the current financial year are shown in the statement of financial position as contract liabilities.

Donations and other revenue

Donations and other revenue are recognised when they are received or when the right to receive payment is established.

Interest

Interest revenue is recognised using the effective interest rate method, which for floating rate financial rates is the rate inherent in the investment.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

	2024	2023
	\$	\$
NOTE 3 EXPENSES		
Other bank charges	44,299	42,404
Interest expense - right of use liability	5,802	6,175
Total borrowing cost	50,101	48,579
Superannuation defined contributions	277,058	244,252
NOTE 4 AUDITOR'S REMUNERATION		
Remuneration of the auditor for:		
Auditing the financial statement	35,050	33,250
Other assurance services	2,750	2,750
Total auditor's remuneration	37,800	36,000
NOTE 5 CASH AND CASH EQUIVALENTS		
CURRENT		
Cash at bank and on hand	175,074	168,856
Short term bank deposits	1,538,845	1,716,179
Total cash and cash equivalents	1,713,919	1,885,035
NOTE 6 TRADE RECEIVABLES AND OTHER ASSETS		
CURRENT		
Trade receivables	50,145	80,603
Prepayments	12,100	151,893
Other debtors	208,387	134,136
Total trade receivables and other assets	270,632	366,632

Sydney Rowing Club Limited

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

	2024	2023
	\$	\$
NOTE 7 PROPERTY, PLANT AND EQUIPMENT		
NON-CURRENT		
Land and Building – Core Property		
Land and building – at fair value	12,934,125	12,950,000
Building improvements	65,867	-
	<u>12,999,992</u>	<u>12,950,000</u>
Less: accumulated depreciation	(196,553)	(15,875)
	<u>12,803,439</u>	<u>12,934,125</u>
Plant and equipment		
Plant and equipment – at cost	7,340,970	6,894,059
Less: accumulated depreciation	(4,519,486)	(4,208,756)
	<u>2,821,484</u>	<u>2,685,303</u>
Right-of-use assets		
Leased Waterfront Land - right-of-use	245,147	245,147
Less: accumulated depreciation	(71,055)	(56,846)
	<u>174,092</u>	<u>188,301</u>
Total property, plant and equipment	<u>15,799,015</u>	<u>15,807,729</u>

Movements in carrying amounts

	Land and Buildings	Plant and Equipment	Right-of-use Assets	Total
	\$	\$	\$	\$
Balance at the beginning of the year	12,934,125	2,685,303	188,301	15,807,729
Additions and transfers from WIP	65,867	668,927	-	734,794
Disposals	-	(227,032)	-	(227,032)
Depreciation expense	(196,553)	(305,714)	(14,209)	(516,476)
Balance at the end of the year	<u>12,803,439</u>	<u>2,821,484</u>	<u>174,092</u>	<u>15,799,015</u>

Sydney Rowing Club Limited

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

Accounting Policy

Property

Freehold land and buildings are shown at their fair value, based on periodic valuations by external independent valuers, less subsequent depreciation for buildings. It is the policy of the Company to have an independent valuation every three years, with an annual assessment being made by the directors

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Decreases that offset previous increases of the same classes of assets shall be recognised in other comprehensive income under the heading revaluation surplus. All other decreases are charged to the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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.

Plant and equipment

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

The residual values, useful lives and depreciation methods are reviewed by the directors, and adjusted if appropriate, at each reporting date. An assets value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of comprehensive income.

Right-of-use assets

Sydney Rowing Club leases land under a 25 year agreement, expiring in September of 2036, and is subject to annual rent adjustments. On renewal, the terms of the lease are expected to be renegotiated.

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

Depreciation

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

Class of fixed asset	Depreciation rate	Depreciation method
Buildings	2%	Straight line
Plant and equipment	5% - 40%	Diminishing value and straight line

Valuation - Land and Buildings

The basis of the valuation of land and building is fair value. Land and buildings are independently revalued every three years. Values are based on an active market value or depreciated replacement value and are performed by a registered independent valuer. The valuation was performed on 23 March 2023 by Preston Rowe Paterson Pty Limited. The valuation of the land and building was for \$12,950,000 split as \$8,222,000 for land and \$4,728,000 for the building.

The fair value increase has been recorded through other comprehensive income.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market

AASB 13 requires fair value measurement to be recognised using the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Sydney Rowing Club Limited

ABN 12 000 995 746

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

- Level 2: Inputs other than quote prices included within level 1 that are observable for the asset or liability either directly or indirectly
- Level 3: Unobservable inputs for assets and liabilities

i) *Recurring fair value measurements*

The fair value of the land and building has been determined using valuation techniques assuming that there is not an active market. Valuation techniques maximise the use of observable market data where it is available and rely as little as possible on company specific estimates. Where all significant inputs required to fair value an asset are observable then it is included in level 2. If one of more of the significant inputs is not based on observable market data, the asset is included in level 3.

It has been determined that the land and building assets are determined using level 3 inputs. The quantitative information about the significant unobservable inputs used in the level 3 fair value measurements were:

Description	Fair value at 30 June 2023	Unobservable inputs	Key Assumptions
Land	\$8,222,000	Estimated value per square metres	\$92 to \$2,340 per SQM
Building	\$4,728,000	Estimated current depreciated replacement costs	\$11,910,500 Construction cost Estimate
Total	\$12,950,000		

ii) *Valuation process in a year when no external valuation is performed*

During the period between independent valuation reports, the directors review the carrying amount of the land and building, the market conditions, the current and future capital expenditure, together with the latest independent valuation to determine whether the value recorded is appropriate. Additionally, the directors assess whether there are any indications of impairment.

	2024 \$	2023 \$
NOTE 8 WORK IN PROGRESS		
CURRENT		
Work in Progress	640,248	247,190
Movement in year		
Opening balance	247,190	585,665
Additions in the year	492,146	848,213
Disposals in the year	-	(151,701)
Transfers from WIP to PPE	(99,088)	(1,034,987)
Closing Balance	640,248	247,190

NOTE 9 TRADE AND OTHER PAYABLES

CURRENT		
Trade payables	292,257	209,166
GST clearing account	57,599	72,625
Accruals	85,786	80,630
PAYG withholding	53,704	77,857
Other creditors	3,842	(11,331)
Closing Balance	493,188	428,947

NOTE 10 CONTRACT LIABILITIES

CURRENT		
Member subscriptions received in advance	100,582	63,560

Sydney Rowing Club Limited

ABN 12 000 995 746

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

Accounting Policy

Member subscriptions received in advance relate to subscriptions received from members as at 30 June 2024, for services that will be delivered in future financial years. These amounts are deferred to the period in which the income relates.

	2024	2023
	\$	\$
NOTE 11 PROVISIONS		
CURRENT		
Provision for employee benefits: annual leave	189,173	179,343
Provision for employee benefits: long service leave	201,192	173,964
	<u>390,365</u>	<u>353,307</u>
NON CURRENT		
Provision for employee benefits: long service leave	70,035	53,794
Total employee benefits	<u>460,400</u>	<u>407,101</u>

Accounting Policy

Short-term employee benefits

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

Long-term employee benefits

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

NOTE 12 LEASE LIABILITIES

CURRENT

Lease Liability	<u>13,043</u>	<u>12,659</u>
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The asset revaluation reserve records the revaluation of non-current assets and this has been disclosed in changes of equity and recorded in other comprehensive income.

NON CURRENT

Lease Liability	<u>177,042</u>	<u>190,085</u>
-----------------	----------------	----------------

Future lease payments are due as follows:

Within one year	18,462	18,462
One to five years	73,847	73,847
More than 5 years	152,308	170,770
	<u>244,617</u>	<u>263,079</u>

Sydney Rowing Club Limited

ABN 12 000 995 746

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

	2024 \$	2023 \$
NOTE 13 RESERVES		
Opening balance	9,491,959	6,820,953
Asset revaluation – other comprehensive income	-	2,671,006
Closing balance	<u>9,491,959</u>	<u>9,491,959</u>

The asset revaluation reserve records the revaluation of non-current assets and this has been disclosed in changes of equity and recorded in other comprehensive income.

NOTE 14 COMPANY LIMITED BY GUARANTEE

Sydney Rowing Club Limited is a company limited by guarantee with the liability of members limited to the amount set out in the company's constitution. The amount of the guarantee is limited to such amount as may be required not exceeding two dollars (\$2). The guarantee is not capable of being called up except for the purpose of winding up of the company.

NOTE 15 CONTINGENT LIABILITIES AND ASSETS

There are no contingent liabilities or contingent assets to report at 30 June 2024 (2023: nil).

NOTE 16 COMMITMENTS

Capital commitments

There has been no capital expenditure contracted for at the reporting date but not recognised at the balance sheet date (2023: nil).

NOTE 17 RELATED PARTY TRANSACTIONS

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

Transaction with related parties:

(No transactions with related parties in the current financial year)

Director, Isabelle Furrer, relative received STARS funding for making Australian team	<u>1,500</u>	<u>-</u>
Director, Alex Nichol, is an athlete who has been awarded a STAR Scholarship.	<u>1,138</u>	<u>2,000</u>
	<u>2,638</u>	<u>2,000</u>

Directors are members of the Sydney Rowing Club Limited and transactions between them and the company are on normal commercial terms, and conditions no more favourable than those available to other parties unless otherwise stated.

No director of the company has received or become entitled to receive a benefit by reason of a contract made by the company or a related corporation with a director or with a firm of which they are members, or with a company in which they have a substantial financial interest.

NOTE 18 KEY MANAGEMENT PERSONNEL

Total remuneration of key management personnel.	<u>1,011,480</u>	<u>950,763</u>
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Sydney Rowing Club Limited

ABN 12 000 995 746

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30 JUNE 2024

2024
\$

2023
\$

NOTE 19 AFTER BALANCE SHEET DATE EVENTS

No matters or circumstances have arisen since the reporting date which significantly affected or may significantly affect the operations of the company, the results of the operation, or the company's state of affairs.

NOTE 20 COMPANY DETAILS

The registered office of the company is:

Sydney Rowing Club Limited

613 Great North Road

Abbotsford NSW 2046

Sydney Rowing Club Limited

ABN 12 000 995 746

CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Sydney Rowing Club Limited does not have any controlled entities and is not required to prepare consolidated financial statements by Australian Accounting Standards. Therefore, section 295(3A)(a) of the Corporations Act 2001 does not apply to the entity.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

On behalf of the directors



K. E. JAMESON
Director



S. TURNER
Director

Dated: 5 August 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SYDNEY ROWING CLUB LIMITED

Opinion

We have audited the financial report of Sydney Rowing Club Limited (the Company) which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement, and the directors' declaration.

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

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

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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 (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.

Other Information

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 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for:

- the preparation of the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001;

Some of the Crowe personnel involved in preparing this document may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation Crowe's personnel involved in preparing this document, please speak to your Crowe adviser.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)

- 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:
- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- 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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic 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.

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.

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 the audit.

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 the audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



CROWE SYDNEY



Bede Clarke
Associate Partner

6 August 2024 Sydney

DISCLAIMER

The additional financial data presented below and in the following pages is in accordance with the books and records of Sydney Rowing Club Limited for the year ended 30 June 2024.

It will be appreciated that our audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and no warranty of accuracy or reliability is given. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than our client) in respect of such data, including any errors or omissions therein however caused.



CROWE SYDNEY



Bede Clarke

Associate Partner

6 August 2024

Sydney

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Sydney Rowing Club Limited

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SCHEDULES TO SUPPORT THE STATEMENT OF PROFIT AND LOSS

	Schedule	2024 \$	2023 \$
Surplus on bar trading	1	1,380,168	1,359,153
Net income from poker machines	2	791,457	1,083,770
Catering and function income		771,131	726,788
Interest received		71,674	47,812
Net income from Keno		6,119	7,493
Other income		91,414	56,382
		<u>3,111,962</u>	<u>3,281,398</u>
Less:			
Administration expenses	3	889,051	901,670
Club house and grounds expenses	4	1,220,638	1,093,953
Dining room expenses	5	3,901	4,771
Financial expenses	6	40,742	37,561
Other expenses		908	1,228
		<u>2,155,239</u>	<u>2,039,183</u>
Surplus from club house operations		<u>956,723</u>	<u>1,242,215</u>
Add:			
Members subscriptions		306,074	314,393
		<u>306,074</u>	<u>314,393</u>
Less:			
Net rowing expenses	7	1,288,306	935,286
Add / (less):			
Net income / (expense) from events & fundraising	8	5,285	(2,801)
		<u>(20,224)</u>	<u>618,521</u>
Operating (deficit) / surplus			
SCHEDULE 1. Bar Trading			
Sales		3,984,925	3,816,432
Cost of sales		(987,621)	(969,350)
Gross surplus		<u>2,997,304</u>	<u>2,847,082</u>
Expenses			
Bar wages and payroll costs		1,550,961	1,434,450
Depreciation		1,774	2,905
Glass and bar consumables		45,031	37,267
Other		19,370	13,307
Total expenses		<u>1,617,136</u>	<u>1,487,929</u>
Surplus on bar trading		<u>1,380,168</u>	<u>1,359,153</u>

Sydney Rowing Club Limited

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SCHEDULES TO SUPPORT THE STATEMENT OF PROFIT AND LOSS

	Schedule	2024 \$	2023 \$
SCHEDULE 2. Poker Machine Results			
Receipts		1,853,607	2,237,111
Less: GST collected		(168,510)	(203,374)
		<hr/>	<hr/>
		1,685,097	2,033,737
OLGR rebate income		17,180	17,180
		<hr/>	<hr/>
Total income		1,702,277	2,050,917
Expenses			
Depreciation		133,809	120,831
Duty		229,593	302,064
Monitoring		26,127	23,892
Promotions		290,331	282,045
Repairs and maintenance		21,342	23,744
Sundries		17,619	18,802
Wages		192,000	195,769
		<hr/>	<hr/>
Total expenses		910,821	967,147
		<hr/>	<hr/>
Net income from poker machines		791,456	1,083,770
 SCHEDULE 3. Administration			
Accounting, computer and audit fees		113,423	103,500
Depreciation		36,414	65,998
Consulting and legal expenses		8,688	17,087
Directors expenses		7,268	4,905
Donations		8,200	4,200
Printing, postage and stationery		27,517	23,761
Repairs and maintenance		1,816	1,122
Salaries, wages and payroll costs		632,110	623,544
Sundries		35,108	36,021
Telephone		9,296	9,586
Vehicle costs		9,210	11,946
		<hr/>	<hr/>
Administration expenses		889,051	901,670
 SCHEDULE 4. Club House and Grounds Expenses			
Advertising		1,507	1,445
Cleaning		180,662	175,415
Depreciation		420,201	309,578
Electricity and gas		168,001	166,683
Entertainment		87,141	75,640
Insurance		80,474	87,504
Leases		14,212	14,213
Promotions		34,914	42,244

Sydney Rowing Club Limited

ABN 12 000 995 746

SCHEDULES TO SUPPORT THE STATEMENT OF PROFIT AND LOSS

	Schedule	2024 \$	2023 \$
SCHEDULE 4. Club House and Grounds Expenses (Cont')			
Rates		41,615	36,780
Repairs and maintenance		89,955	87,734
Security		99,364	91,284
Masterplan		-	-
Sundries		2,592	5,433
Club house and grounds expenses		<u>1,220,638</u>	<u>1,093,953</u>
 SCHEDULE 5. Dining Room Expenses			
Depreciation		3,901	4,771
Dining room expenses		<u>3,901</u>	<u>4,771</u>
 SCHEDULE 6. Financial Expenses			
Bank charges		34,940	31,386
Interest paid		5,802	6,175
Financial expenses		<u>40,742</u>	<u>37,561</u>
 SCHEDULE 7. Rowing Expenses			
NSWRA fees and levies		11,481	10,683
Coaching expenses		838,214	652,827
Depreciation		129,487	131,386
Insurance		33,503	21,504
Training and competition expenses		154,100	125,721
Repairs and maintenance			
Boat fleet		68,074	31,009
Boat house		41,752	40,898
Sundries		9,134	10,011
Other		11,136	4,969
Strategic review		75,755	-
Rowing Australia elite club funding		(84,331)	(93,722)
Net rowing expenses		<u>1,288,306</u>	<u>935,286</u>
 SCHEDULE 8. Net income from Events and Fundraising			
Revenue		60,672	51,024
Disbursements to athletes		(55,388)	(53,825)
Net income / (loss) from events and fundraising		<u>5,285</u>	<u>(2,801)</u>