

The image features a dark blue vertical banner on the left side containing the logo and title. The logo for 'HABERFIELD ROWERS CLUB & RESTAURANT' is positioned at the top of the banner. Below it, the words 'ANNUAL REPORT' are written in a large, bold, white sans-serif font, followed by '2021' in a slightly smaller, bold, white sans-serif font. The background of the entire page is a high-quality photograph of a vibrant salad in a light blue ceramic bowl. The salad includes grilled yellow fish strips, purple and green leafy greens, sliced cucumbers, cherry tomatoes, and golden-brown croutons. A wooden salt or pepper mill is partially visible on the left, and a glass of yellow beverage is in the bottom right corner.

HABERFIELD
ROWERS
CLUB
&
RESTAURANT

ANNUAL REPORT

2021



GENERAL MANAGER'S REPORT

UTS Haberfield Club Limited 2021 Financial Year

COVID-19 restrictions saw the Restaurant closed from July to October. The Kiosk not only managed to remain operational throughout the year but thrived. The local community embraced the new BBQ offering and takeaway alcohol selection, seeing the Kiosk go from strength to strength, making record sales.

At the start of 2021, the Restaurant was only open on weekends for Brunch. In response to a strategic review and increasing community demand, the Restaurant shifted its offering from brunch to a lunch and dinner service. By the end of 2022, the Restaurant had extended its hours, opening to the public Friday through to Sunday and available for events the rest of the week.

The model has been effective since its reopening. Local Community support has increased, and feedback on the food and service has been positive. Google reviews have increased substantially to over four stars.

The club made a profit of \$75,799 and received \$15,000 in ATO subsidies and \$48,033 in JobKeeper payments.

Kind Regards,



Cameron Kenney
General Manager

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UTS Haberfield Club Limited
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DIRECTORS' REPORT

UTS Haberfield Club Limited
Directors' report
For year ended 26 December 2021

1. Directors

The directors present their report together with the financial report of UTS Haberfield Club Limited (the Company) for the financial year ended 26 December 2021 and the auditor's report thereon.

Anne Dwyer – Chair

Appointed 20th October 2021

Emeritus Professor Peter Booth – Chair

BEC (Sydney), GradDipEd (SydTeachColl),
MEc (UNE), Ph.D. (Griff), FCPA, FCA
Resigned 19th October 2021

Cameron Kenney – CEO

EMBA

Appointed 31st March 2021

Elizabeth Brett – CEO

EMBA

Resigned 30th March 2021

Professor Prabhu Sivabalan

BBus (Hons) Ph.D

UTS Representative

Appointed 1st August 2014

Associate Professor Anna Bedford

BBus (Hons) Ph.D

Staff Director

Appointed 12th October 2021

Professor Anita Stuhmcke

BA/LLB(Hons) MJuris(Hons) PhD

UTS Representative

Resigned 12 October 2021

Philip Wilkinson

BE MBT

Haberfield Club Elected Member

Appointed 23rd May 2017

Dr. Andrew Black

BSc (Hons), PhD, EMBA

Haberfield Club Elected Member

Appointed 25th May 2021

Sinclair Taylor

Rowing Club Representative

Appointed 4th November 2019

Jinang Liu

Student Director

Appointed 7th October 2020

Samantha Urquart

Student Director

Appointed 12th October 2021

Rachel Chomik

Student Director

Resigned 12th October 2021

UTS Haberfield Club Limited
Directors' report (continued)
For year ended 26 December 2021

2. Directors' meetings

Directors' attendance at Company Board meetings during the financial year:

Board Meetings

	Number of meetings attended	Number of meetings held*
Director		
Cameron Kenney	5	5
Elizabeth Brett	0	2
Emeritus Professor Peter Booth	6	6
Anne Dwyer	1	1
Professor Prabhu Sivabalan	6	7
Associate Professor Anna Bedford	2	2
Professor Anita Stuhmcke	5	5
Rachael Chomik	5	5
Jinang Liu	7	7
Sinclair Taylor	7	7
Philip Wilkinson	7	7
Samantha Urquhart	2	2
Dr. Andrew Black	2	3

* Number of meetings held during the Director's time in office.

3. Objectives and strategy

The Company's objective is to provide a community-based social club encompassing food and beverage coupled with rowing facilities to cater to all standards of rowers, from the new member up to those of high performance and representative level. Inherent in these objectives is the encouragement of University student participation in the sport.

Strategies to meet these objectives include working with the University of Technology Sydney, ActivateUTS, and the broader community to ensure the facility is sustainable. The licensed Club continues to support the functions of the downstairs rowing club, which is home to athletes and coaches who row under the UTS banner.

UTS Haberfield Club Limited
Directors' report (continued)
For year ended 26 December 2021

4. Principal activities and performance

The principal activity of the Company during the course of the financial year was the conduct and promotion of a licensed social and rowing club for members and non-members.

There were no significant changes in the nature of the activities of the Company during the year.

Operating and financial review

The profit after tax for the year amounted to \$75,799 (2020: profit of \$96,225).

During the year, the Company had a positive cash flow from operating activities.

5. Membership

The Company is a company limited by guarantee and without share capital. In accordance with the constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$5 per member in the event of the winding up of the Company during the period of membership or within one year thereafter. The total amount that members of the Company are liable to contribute if the Company is wound up is \$10,595 (2020: \$15,480).

	2021 No.	2020 No.
<i>In number of members</i>		
Ordinary	2,119	3,096

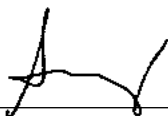
6. Events subsequent to reporting date

No matters or circumstances have occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the entity in subsequent financial years.

7. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 4 and forms part of the directors' report for the financial year ended 26 December 2021.

This report is made with a resolution of the directors.



Anne Dwyer

Dated at Sydney this 26 April 2022



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Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF UTS HABERFIELD CLUB LIMITED

As lead auditor of UTS Haberfield Club Limited for the year ended 26 December 2021, 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.

A handwritten signature in black ink, appearing to read 'Clayton Eveleigh', is written over a light blue horizontal line.

Clayton Eveleigh
Director

BDO Audit Pty Ltd
Sydney, 26 April 2022

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



FINANCIAL STATEMENTS

UTS Haberfield Club Limited
Statement of financial position
As at 26 December 2021

	Note	2021 \$	2020 \$
Assets			
Cash and cash equivalents	4	441,526	434,171
Trade and other receivables		4,766	48,795
Inventories	5	37,955	34,856
Prepayments		2,000	1,708
Total current assets		486,247	519,530
Plant and equipment	6	69,776	52,266
Total non-current assets		69,776	52,266
Total assets		556,023	571,796
Liabilities			
Trade and other payables	8	150,954	106,019
Employee benefits	9	8,361	27,233
Revenue received in advance		11,973	31,088
Total current liabilities		171,288	164,340
Trade and other payables	8	586,582	686,823
Employee benefits	9	3,171	1,450
Total non-current liabilities		589,753	688,273
Total liabilities		761,041	852,613
Net liabilities		(205,018)	(280,817)
Members' funds			
General funds		(205,018)	(280,817)
Total members' funds		(205,018)	(280,817)

UTS Haberfield Club Limited
Statement of profit or loss and other comprehensive income
For the financial year ended 26 December 2021

	Note	2021 \$	2020 \$
Revenue	10	1,366,371	1,431,128
Change in inventories of finished goods		(7,819)	(9,269)
Raw materials and consumables used		(447,360)	(404,704)
Board expenses		(472)	(54)
Personnel expenses	11	(656,060)	(586,157)
Cleaning expenses		(34,348)	(44,364)
Entertainment		-	(10,900)
Management fee	14	-	(71,554)
Professional services expenses		(6,056)	(8,140)
Property expenses		(56,916)	(68,618)
Rent and rates expenses		(6,306)	(6,969)
Repairs and maintenance expenses		(12,865)	(623)
Postage, stationery and subscription expenses		(9,574)	(10,981)
Telephone and IT expenses		(7,324)	(9,132)
Depreciation expense		(25,954)	(57,684)
Other expenses		(19,518)	(46,238)
Results from operating activities		75,799	95,741
Interest income		-	484
Net finance income		-	484
Profit before income tax		75,799	96,225
Income tax expense	12	-	-
Profit for the year		75,799	96,225
Other comprehensive income			-
Total comprehensive income for the year		75,799	96,225

UTS Haberfield Club Limited
Statement of changes in members' funds
For the financial year ended 26 December 2021

	General funds \$	Total \$
Balance at 30 December 2019	(377,042)	(377,042)
Total comprehensive income for the year		
Profit for the year	96,225	96,225
Other comprehensive income	-	-
Balance at 29 December 2020	(280,817)	(280,817)
Balance at 30 December 2020	(280,817)	(280,817)
Total comprehensive income for the year		
Profit for the year	75,799	75,799
Other comprehensive income	-	-
Balance at 26 December 2021	(205,018)	(205,018)

UTS Haberfield Club Limited
Statement of cash flows
For the financial year ended 26 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
Cash receipts from customers		1,372,413	1,809,954
Cash paid to suppliers and employees		(1,200,468)	(1,891,065)
Interest received		-	484
		<hr/>	<hr/>
Net cash outflows from operating activities		171,945	(80,627)
		<hr/>	<hr/>
Cash flows from investing activities			
Proceeds from the sale of property, plant & equipment		-	140,000
Payments for plant & equipment		(64,349)	(18,702)
		<hr/>	<hr/>
Net cash flows (used in) / provided by investing activities		(64,349)	121,298
		<hr/>	<hr/>
Cash flows from financing activities			
Repayments of intercompany borrowings		(100,241)	-
		<hr/>	<hr/>
Net cash flows provided by/(used by) financing activities		(100,241)	-
		<hr/>	<hr/>
Net increase in cash and cash equivalents		7,355	40,671
Cash and cash equivalents at beginning of year		434,171	393,500
		<hr/>	<hr/>
Cash and cash equivalents at end of year	4	441,526	434,171
		<hr/>	<hr/>

UTS Haberfield Club Limited
Notes to the financial statements
For the year ended 26 December 2021

1. Reporting entity

UTS Haberfield Club Limited (the Company) is a reporting entity and a company limited by guarantee domiciled in Australia. The address of the Company's registered office is Dobroyd Parade, Haberfield NSW 2045. ActivateUTS is the parent company and the ultimate parent entity. The financial statements of the Company are as at and for the year ended 26 December 2021.

The principal activity of the Company during the course of the financial year was the conduct and promotion of a licensed social and rowing club for members and non-members.

2. Basis of preparation

(a) Statement of compliance

The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASBs) adopted by the Australian Accounting Standards Board (AASB), the Corporations Act 2001, and the Registered Clubs Amendment Act 2006. The financial statements were approved by the board of directors on 26 April 2022.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements is in conformity with AASBs and requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year. Judgements includes the estimated useful lives of assets. Management 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.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

2. Basis of preparation (continued)

(e) Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlements of liabilities in the ordinary course of business for a period of at least twelve months from the date of these financial statements were approved.

As at 26 December 2021 the Company had a deficiency in net assets of \$205,018 (2020: \$280,817). The Company has experienced an improvement in cash flows from operations in 2021 with cash inflows of \$171,945 (2020: outflows of \$80,627) and profit after tax of \$75,799 (2020: profit of \$96,225). The Company has forecasted improved operating cash flows in 2022.

The financial statements have been prepared on a going concern basis as the Directors have received confirmation from ActivateUTS, a related entity, that for a period of at least 12 months from signing this report, ActivateUTS will provide necessary funding as and when required by the Company, to ensure that it is able to meet its debts as and when they fall due. ActivateUTS also confirmed that it will not seek the repayment of the amounts owed by UTS Haberfield amounting to \$586,582 (refer to Note 8) for at least a period of 12 months from the date of signing of these financial statements.

In the event that ActivateUTS is unable to provide ongoing financial support to the Company, a material uncertainty would exist that may cast doubt on the ability of the Company to continue as a going concern and therefore it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial report.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Standards and Interpretations issued but not yet effective

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

This standard is applicable to annual reporting periods beginning on or after 1 January 2021. AASB 1060 provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of Australian Accounting Standards for SMEs. Given that the company already prepares financial statements under the reduced disclosure requirements there is not likely to be an impact on the company's financial statements on adoption of this standard.

(b) Financial instruments

Financial assets and financial liabilities are recognised initially on the date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification of financial assets

Initial measurement of financial assets

Financial assets are measured at initial recognition at their fair value plus, for financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Trade receivables that do not have a significant financing component are not initially measured at fair value, rather they are initially measured at their transaction price.

Subsequent Initial measurement of financial assets

Subsequent to initial recognition, financial assets are measured at amortised cost.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

Impairment of financial assets

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities (which include trade and other payables, and other payables) are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

(a) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Company. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use.

Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss unless the amount is included in the carrying amount of another asset.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Plant and equipment 4 - 7 years

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

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

(c) Impairment

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of the item less, where applicable, accumulated depreciation to date, calculated on the basis of such cost. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(d) Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

(f) Employee benefits (continued)

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

(g) Revenue

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring 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.

(i) Goods sold and services rendered

Revenue from the sale of goods comprises revenue earned from the provision of food, beverage and other goods. It is measured at the fair value of the consideration received or receivable. Revenue from the sale of goods and services is recognised upon satisfaction of the performance obligation, which is at the point of delivery of those goods or services to the customer.

Revenue from services rendered comprises revenue from other services to members and patrons of the Company. Revenue from the sale of goods and services is recognised upon satisfaction of the performance obligation, which is at the point of delivery of those goods or services to the customer.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred or to be incurred cannot be measured reliably, there is a risk of return of the goods or there is continuing management involvement with the goods.

(ii) Other revenue

Other revenue comprises grants and donations from the parent entity and other various sundry income. Grants and donation income is recognised in profit or loss when the considerations are received.

(h) Interest income

Interest income on funds invested is recognised as it accrues in profit or loss, using the effective interest method.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

(i) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has elected to apply the practical expedient to account for each lease component and any non-lease components as a single lease component.

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset less any lease incentives received. The assets are depreciated to the earlier of the end of the useful life of the right-of-use asset or the lease term using the straight-line method as this most closely reflects the expected pattern of consumption of the future economic benefits.

The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease liabilities - right-of-use assets

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments of a variable or contingent nature are expensed when incurred.

(j) Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in members' funds or in other comprehensive income.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

(j) Tax (continued)

(i) Current tax

The Income Tax Assessment Act 1997 (amended) provides that under the concept of mutuality, the Company is only liable for income tax on income derived from non-members and from outside entities.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects either accounting nor taxable profit or loss.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(k) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

	2021 \$	2020 \$
4 Cash and cash equivalents		
Bank balances	440,026	433,271
Cash on hand	1,500	900
	<hr/>	<hr/>
Cash and cash equivalents	441,526	434,171
	<hr/>	<hr/>
5 Inventories		
Finished goods – at cost	37,955	34,856
	<hr/>	<hr/>
		Total \$
6. Plant and equipment		
Cost		
Balance at 29 December 2020		81,257
Additions		64,349
		<hr/>
Balance at 26 December 2021		145,606
		<hr/>
Depreciation		
Balance at 29 December 2020		28,991
Depreciation expense for the year		46,839
		<hr/>
Balance at 26 December 2021		75,830
		<hr/>
Carrying amounts		
As at 26 December 2021		69,776
		<hr/>
As at 29 December 2020		52,266
		<hr/>

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

7. Core and non-core properties

Pursuant to section 41J of the Registered Clubs Amendment Act 2006, all Company's properties are core properties.

Core Properties held by the Club

200 Dobroyd Parade, Haberfield NSW 2045.

	2021	2020
	\$	\$
8. Trade and other payables		
Current		
Trade payables	25,680	18,440
Other payables and accrued expenses	125,274	87,579
	<u>150,954</u>	<u>106,019</u>
Non-current		
Loan ActivateUTS	<u>586,582</u>	<u>686,823</u>
9. Employee benefits		
Current		
Liability for annual leave	<u>8,361</u>	<u>27,233</u>
Non-current		
Liability for long service leave	<u>3,171</u>	<u>1,450</u>
10. Revenue		
Sale of goods	1,278,595	1,161,201
Rendering of services	23,860	56,748
Other revenue	63,916	213,179
	<u>1,366,371</u>	<u>1,431,128</u>

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

	2021 \$	2020 \$
11. Personnel expenses		
Wages and salaries	608,168	779,603
Other associated personal expenses	69,471	108,782
Contributions to defined contribution superannuation funds	60,326	62,432
JobKeeper received	(63,033)	(344,850)
Movement in liability for annual leave	(18,872)	(19,810)
	<u>656,060</u>	<u>586,157</u>

12. Income tax expense

Numerical reconciliation between tax expense and pre-tax accounting profit

Current

Proportion of net taxable income attributable to non-members	993,062	330,064
Less: Proportion of expenses attributable to non-members	<u>(947,659)</u>	<u>(342,516)</u>
	45,403	(12,452)
Add: Other taxable income	63,033	2,826
Less: Other deductible expenses	<u>(129,665)</u>	<u>(69,401)</u>
Net income subject to tax	(21,229)	(79,027)
Income tax expense using the Company's statutory income tax rate of 25% (2020: 26%)	(5,307)	(20,547)
Unrecognised tax losses (utilised)/reversed	<u>5,307</u>	<u>20,547</u>
	<u>-</u>	<u>-</u>

Estimated deferred tax assets have not been recognised in respect of the following items:

Unrecognised deferred tax assets

Deductible temporary differences	3,666	2,061
Tax losses	<u>254,597</u>	<u>250,201</u>
	<u>258,263</u>	<u>252,262</u>

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the entity can utilise the benefits from.

13. Contingent assets and contingent liabilities

There are no contingent assets or contingent liabilities at reporting date that would have a material effect on the Company's financial statements at 26 December 2021.

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

14. Related parties

Transactions with key management personnel

Executive key management personnel for the Company are employed by the parent entity. The parent entity charges the Company a portion of remuneration for its employees who act in the capacity of key executive management personnel for the Company.

The compensation received by executive key management personnel included in the management fee charge is \$Nil in 2021 (2020: \$13,736).

Non-executive directors do not receive any remuneration in connection with the services they perform at the Company.

Other key management personnel transactions and balances

From time to time, key management personnel of the Company, or their related entities, may purchase goods and services from the Company. These purchases are on the same terms and conditions as those entered into by third parties and are trivial or domestic in nature.

Apart from the details disclosed in this note, no other key management personnel have transaction with the Company since the end of the previous financial year and there were no outstanding balances involving key management personnels interests existing at year-end.

Other related party transactions

The Company is a related party of ActivateUTS who controls the Company and consolidates its financial performance.

The Company operates from the premises at Dobroyd Parade, Haberfield. ActivateUTS leases the land from Innerwest Council and Roads and Maritime Services and has constructed the premises occupied by the Company. A licence fee, which is variable based on the performance of the Club, is payable to ActivateUTS by the Company for the use of the premises under a Deed of Agreement.

Balances with related parties

Aggregate amounts receivable from or payable to, each class of related party at reporting date:

	2021	2020
	\$	\$
Intercompany payable ActivateUTS	57,902	158,143
Loan ActivateUTS	528,680	528,680

UTS Haberfield Club Limited
Notes to the financial statements (continued)
For the year ended 26 December 2021

14. Related parties (continued)

Transactions with related parties

Aggregate amounts brought to account from transactions with the parent entity:

Management fees	-	<u>71,554</u>
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15. Events after the reporting period

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected the operations of the company, the results of those operations or the state of affairs of the company in future financial years.

UTS Haberfield Club Limited
Directors' declaration
For the year ended 26 December 2021

In the opinion of the directors of UTS Haberfield Club Limited (the Company):

(a) the financial statements and notes that are set out on pages 5 to 21, are in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Company's financial position as at 26 December 2021 and of its performance for the financial year ended on that date; and

(ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and

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

Signed in accordance with a resolution of directors.



Anne Dwyer

Dated at Sydney this 26 April 2022

INDEPENDENT AUDITOR'S REPORT

To the members of UTS Haberfield Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of UTS Haberfield Club Limited (the Company), which comprises the statement of financial position as at 26 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- (i) Giving a true and fair view of the Company's financial position as at 26 December 2021 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements 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, 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or 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

BDO

A handwritten signature in black ink, appearing to read 'Clayton Eveleigh', is written over a horizontal line.

Clayton Eveleigh

Director

Sydney, 26 April 2022

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