Manly Warringah Gymnastics Club Limited

ABN 49 155 260 343

Financial Reports

For the year ended 31 December 2022

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Contents

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Directors' Report

The Directors of Manly Warringah Gymnastics Club Limited present their Report together with the financial statements of the company for the year ended 31 December 2022.

Director and company secretary

The following persons were directors of Manly Warringah Gymnastics Club Limited during the whole of the financial year and up to this date of this report:

- Melinda Stewart
- Ian Hardy
- Tamzin Brown
- Clinton Dick
- Renu Steggles
- Kate Caldecott-Davis

Soren Breth and John Lee were directors from the beginning of the financial year until their resignation on 29th March 2022.

Laila Kaiser was a director from the beginning of the financial year until her resignation on 17th January 2023.

The company secretary is Mr. Ian Hardy, Mr. Hardy was appointed to the position since July 2020.

Director details

Melinda Stewart (Chair / Non-Executive Director)

- Fellow of Australian Human Resources Institute
- Member, Women in Banking & Finance Inc.
- Human Resources, payroll, HR systems, operations, people management experience
- Global Head of HR Shared Services, ASX100 listed company in the construction industry

Ian Hardy (CEO / Executive Director)

- MWGC Chief Executive Officer
- NSW Justice of the Peace
- Diploma Human Resource and Management and Business Management
- NSW Licenced Builder - 35 years' experience in facility management, design, and construction
- Member Gymnastics Australia Club Commission and Institute of Community Directors Australia

Tamzin Brown (Treasurer/Non-Executive Director)

- Financial Planning & Analysis Manager - Blackmores Australia
- Team management & development Specialist
- Finance and business modelling

Clinton Dick (Non-Executive Director)

- Civil Engineer
- Director of Liberty Industrial

Renu Steggles (Non-Executive Director)

- BE (Hons), UNSW, Sydney, 2001
- MEngSci (Geotechnical), UNSW, Sydney, 2009

- MIEAust CPEng NER APEC Engineer IntPE (Aus) - Civil and Environmental Engineers Australia
- Transport Infrastructure Sector Lead (Aus/NZ). Principal Geotechnical Engineer. Associate

Kate Caldecott-Davis (Non-Executive Director)

- Consultant Psychologist
- Accredited Child Protection Investigator
- Expert – Child Safety Legislation
- Secretary and committee member - Australian Psychological Society's PiSIG
- BSc (Psych), Macq.
- PGDip (Psych), Macq.
- GradDipAppMH(Child & Adol.), HETI
- MRes (Psych), Macq.
- MEd (Gifted Ed.), UNSW
- Member Australian Psychological Society
- Member Australian Association of Psychologists Inc.

Principal Activities

The principal activity of the company is to coach in the sport of gymnastics.

Directors' meetings

Director	Meeting entitled to attend	Meeting attended
Melinda Stewart	7	7
Soren Breth	2	1
Ian Hardy	7	7
Tamzin Brown	7	5
Laila Kaiser	7	6
Clinton Dick	7	4
John Lee	2	2
Renu Steggles	7	6
Kate Caldecott-Davis	7	6

Message from Chairperson

The MWGC (Manly Warringah Gymnastics Club) Board is proud to celebrate the achievements and performance of the club in 2022, in the gym, at competitions, and our performance against strategy.

As we look to the future with certainty, following a competitive tender process, we have agreed terms with Northern Beaches Council to build a new home for our athletes at North Manly Reserve. I especially acknowledge the significant contribution and leadership from our CEO (Chief Executive Officer), Ian Hardy, whose drive, and passion to negotiate an outcome with Council has yielded an incredible outcome. I am confident the decisions the board has made in the past few years, but notably in relation to the new MWGC Centre of Excellence, have been the result of the diversity of experience and capability, and I thank my fellow directors for their input, guidance, and commitment in 2022.

We welcomed the appointment of new CEOs at Gymnastics Australia and Gymnastics NSW and look forward to working with them to further advance gymnastics as the sport of choice on the Northern Beaches and beyond, from foundational gymnastics to Australian representation, MWGC can deliver it all.

Operationally and financially, MWGC is in a solid position despite closing the year with a loss of $52k, the result of deliberate investment into the North Manly Reserve project, new and replacement equipment, and establishment of the MWGC trampoline and tumbling high-performance centre at the Sydney Academy of Sport.

I acknowledge the ongoing focus and strong fiscal management of the club by our CEO and his team, who continually review and tweak operating practices, staffing and equipment maintenance to ensure the safety of our members and financial performance of the club.

I also thank and acknowledge the time and effort of the MWGC Board of directors who generously volunteer their time to oversee the governance, performance, and strategic direction of the club. We have enjoyed the opportunity to hear from the MWGC program coordinators at board meetings to understand the experience they and their teams and athletes have and look forward to this access and engagement continuing in 2023.

To our staff, members, and families, we once again say thank you for committing to MWGC in 2022 and we look forward to seeing you in the gym in 2023.

Message from Chief Executive Officer

2022 came and went in the blink of an eye. No sooner had we celebrated a new start after 2 years of disruption, all of a sudden, the end of the year was upon us. For the first time since COVID, we were able to celebrate the year with a much-needed display day, and seeing the gym full of people, energy and smiles made the past few years' challenges well and truly worth the effort.

Our Community Owned and Not for Profit club continues to evolve, with the announcement of the new $10 million Centre of Excellence at Nolan Reserve North Manly and the opening of our new High-Performance Tumbling Centre at the Sydney Academy of Sport, MWGC is strengthening its position in local community sport, State and National gymnastics, and the world stage.

Thanks to our amazing coaching team 2022 was another very successful year with the club having international representatives in Men's and Women's Artistic, Trampoline and Tumbling and as a first, Parkour. Our Gymnastics for All (GFA) programs continue to grow, with MWGC more athletes competing in freestyle gymnastics and Team gym events at a national level, and our Masters team brought home a swag of medals.

MWGC received GNSW's award for runner up Club of the year, Men's club of the year, Men's level coaching team of the year, Minato Thomas was awarded Men's Senior levels athlete of the year, and WAG development gymnast Emmy Hill was awarded athlete of the year. International representatives were Lucy Stewart (WAG), John Carroll (MAG), Thomas Aivazian (Tumbling) and Kent Felton (Parkour).

Record numbers of gymnasts went to Nationals and 127 competitive gymnasts received club awards.

As a business, the next few years are going to be extremely exciting, having just received notice of $5.15 million in funding for the new Centre of Excellence our club's long-term future is now secure. Although the process has taken 15 years and 7 different proposals, we now have an opportunity to build a large-scale world-class facility for a future membership of 4000. Requests for additional funding have been submitted, and I will keep everyone informed of progress throughout the year.

I offer thanks and recognition for the contributions of so many of our sponsors and supporters, local, State and Federal Governments, our volunteer directors and chaperones, our business associates, our staff, our families and most importantly, the kids, the young adults, and not so young members, because without you, what we do and what we strive for would have no purpose.

As we are now moving into the planning phase for the new gym, we hope you will continue with us to see MWGC become the No. 1 Community Owned Gymnastics Club in the world.

Here's to MWGC's Centre of Excellence 2025.

Future Developments

The company will continue to pursue its principal activities as stated. The directors do not anticipate any changes in the operations of the company which will affect the results in subsequent years.

Post Balance Date Events

Subsequent period financial reporting may include costs associated with COVID-19 that are unusual, infrequent or both. Examples of such costs may include the following:

- Refunds, discounts, and reductions to lessees of facility rental fees, income from fees due to COVID-19-related closures
- Write-downs or write-offs of investments and receivables directly related to COVID-19 relief efforts.

Contribution in winding up.

The company is incorporated under the Corporation Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of $1 each towards meeting any outstanding obligations of the entity. On 31 December 2022, the total amount that members of the company are liable to contribute if the company wound up is $1,769.

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Indemnifying Officers

During the financial year, the company has paid premiums to insure the current directors against liabilities for cost and expenses incurred by them in defending legal proceedings arising from their conduct while acting in the capacity of directors of the company.

Auditor's Independence Declaration

The auditor's independent declaration for the year ended 31 December 2022 has been received and can be found on page 8.

Signed in accordance with a resolution of the directors.

Director

Director

Date: 1/3/2023

Auditor's Independence Declaration

To the directors of Manly Warringah Gymnastics Club Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of the Manly Warringah Gymnastics Club Limited.

I declare that, to the best of my knowledge and belief, during the year ended 31st December 2022 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.

Leslie Pines, Chartered Accountant
Suite 1/102 Spofforth Street
Cremone, NSW 2090

Date: 2nd March 2023

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2022

	Notes	2022 $	2021 $
Revenue	4	2,757,758	2,210,940
Other revenue	4	17,338	369,799
		2,775,096	2,580,739
Audit, legal and consultancy fees	5	(28,773)	(28,037)
Client support services expenses		(153,014)	(85,923)
Depreciation and amortisation expenses	5	(399,558)	(503,099)
Employee benefits expenses	5	(1,939,996)	(1,736,725)
Finance costs	5	(91,617)	(44,337)
Motor vehicle expenses		(9,665)	(6,620)
Staff training and development expenses		(1,115)	(3,199)
Sundry expenses		(177,114)	(175,810)
Utilities expenses		(26,465)	(25,925)
Current year surplus/(deficit) before income tax		**(52,221)**	**(28,936)**
Income tax expenses		-	-
Net current year surplus/(deficit)		**(52,221)**	**(28,936)**
Other comprehensive income			
Fair value gains/(losses) on financial assets	6	376	(368)
Total comprehensive income		**(51,845)**	**(29,304)**

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Statement of Financial Position

As at 31 December 2022

	Notes	2022 $	2021 $
Current assets			
Cash and cash equivalents	7	1,306,051	1,432,820
Accounts and other receivables	8	42,445	11,881
Inventories	9	37,779	32,639
Lease receivables	10	73,351	66,796
Other assets	11	32,823	21,454
Total current assets		**1,492,449**	**1,565,590**
Non-current assets			
Lease receivables	10	69,979	71,889
Other assets	11	110,000	110,000
Property, plant and equipment	12	208,963	167,853
Intangible assets	13	108,689	-
Financial assets	14	3,942	3,566
Right of use assets	15	503,868	682,947
Investments accounted for using the equity method	16	-	6,621
Total non-current assets		**1,005,441**	**1,042,876**
Total assets		**2,497,890**	**2,608,466**
Current liabilities			
Accounts and other payables	17	158,232	132,596
Other liabilities	18	170,450	170,190
Employee provisions	19	137,095	106,340
Lease liabilities	20	441,599	420,034
Total current liabilities		**907,376**	**829,160**
Non-current liabilities			
Employee provisions	19	56,264	67,653
Lease liabilities	20	244,279	457,614
Borrowings	21	87,776	-
Total non-current liabilities		**388,319**	**525,267**
Total liabilities		**1,295,695**	**1,354,427**
Net assets		**1,202,195**	**1,254,039**
Members' funds			
Reserves	22	(34)	(410)
Retained surplus	23	1,202,228	1,254,449
Total members' funds		**1,202,195**	**1,254,039**

Statement of Changes in Equity

For the year ended 31 December 2022

	Notes	2022 $	2021 $
Reserves			
Opening balance		(410)	(42)
Other comprehensive income		376	(368)
Closing balance		(34)	(410)
Retained earnings			
Opening balance		1,254,449	1,283,386
Other comprehensive income		(52,221)	(28,936)
Closing balance		1,202,228	1,254,449

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Statement of Cash Flows

For the year ended 31 December 2022

	Notes	2022 $	2021 $
Receipts from Operating services			
Sale of goods and services		2,405,669	2,433,438
Fundraising		-	1,129
Sponsorships & grants		48,600	38,000
Investment income		92	167
Interest income - financial assets		3,003	-
Other revenue		4,931	2,191
Government subsidies		-	316,613
Rental income		91,133	14,146
Payments to clients, suppliers and employees		(2,626,912)	(2,237,351)
Net cash generated by operating activities	**7**	**(73,484)**	**568,333**
Cash Flows from investing activities			
Proceeds from lease receivables		-	68,953
Purchase for property, plant and equipment		(138,053)	(19,173)
Purchase in investment in equity accounted investments		-	(6,621)
Net cash (used in)/generated by investing activities		**(138,053)**	**43,159**
Cash Flows from financing activities			
Proceeds from borrowings		100,000	-
Repayment of borrowings		(15,231)	-
Repayment of lease liabilities		-	(428,040)
Net cash (used in)/generated by fnancing activities		**84,769**	**(428,040)**
Net increase in cash and cash equivalents		(126,768)	183,452
Cash and cash equivalents at the beginning of the financial year		**1,432,820**	**1,249,368**
Cash and cash equivalent at the end of the financial year	**7**	**1,306,052**	**1,432,820**

Notes to the financial statements

The financial statements cover Manly Warringah Gymnastics Club Limited as an individual entity, incorporated and domiciled in Australia. Manly Warringah Gymnastics Club Limited is a company limited by guarantee.

The financial statements were authorised for issue on 20th February 2023 by the directors of the Entity.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting policies

2.1 Revenue

Revenue comprises revenue from fundraising, grants, donations, insurance recovery, school programmes and member's contributions.

Revenue is measured by reference to the fair value of consideration received or receivable by the Club for goods supplied and services provided, excluding GST.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the company's different activities have been met. Details of the activity-specific recognition criteria are described below.

Sale of goods

Revenue from the sale of goods comprises revenue earned from the sale of goods donated and purchased for resale. Sales revenue is recognised when the control of goods passes to the customer.

Member contributions

Fees charged for services provided to clients are recognised when the service is provided.

Donations and Grants

When the entity received operating grant revenue, donations, or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Entity:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Entity:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9. AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

Interest and dividend income

Interest and dividend income are recognised at the time the right to receive payment is established.

2.2 Inventories

Goods for resale

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

2.3 Fair Value of Assets and Liabilities

The Entity measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Entity would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

2.4 Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 2.7 for details of impairment).

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

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

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

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

Class of Asset	Depreciation Rate %
Plant and equipment	13 – 23%
Other furniture and equipment	10 – 40%
Motor vehicles	18%
Other	20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

2.5 Leases

The Entity as lessee

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

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

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

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

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

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

The Entity as lessor

The Entity leases some rooms in their building to external parties.

Upon entering into each contract as a lessor, the Entity assesses if the lease is a finance or operating lease

The contract is classified as a finance lease when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases not within this definition are classified as operating leases.

Rental income received from operating leases is recognised on a straight-line basis over the term of the specific lease.

Initial direct costs incurred in entering into an operating lease (e.g. legal cost, cost to setup) are included in the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Rental income due under finance leases are recognised as receivables at the amount of the Entity's net investment in the leases.

When a contract is determined to include lease and non-lease components, the Entity applies AASB 15 to allocate the consideration under the contract to each component.

2.6 Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at:

- amortised cost; or

- fair value through profit and loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3 applies;
- held for trading; or
- initially designated as at fair value through profit or loss

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if it is:

- incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability.

If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

A financial liability cannot be reclassified.

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Impairment

The entity recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The entity used the following approaches to impairment, as applicable under AASB 9:

- the general approach;
- the simplified approach;
- the purchased or originated credit impaired approach; and
- low credit risk operational simplification.

General approach

Under the general approach, at each reporting period, the entity assessed whether the financial instruments are credit impaired, and if:

- the credit risk of the financial instrument increased significantly since initial recognition, the entity measured the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; and
- there was no significant increase in credit risk since initial recognition, the entity measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times.

This approach is applicable to:

- trade receivables; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used taking into consideration various data to get to an expected credit loss (i.e. diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Purchased or originated credit-impaired approach

For a financial asset that is considered to be credit impaired (not on acquisition or originations), the entity measured any change in its lifetime expected credit loss as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment was recognised in profit or loss as an impairment gain or loss.

Evidence of credit impairment includes:

- significant financial difficulty of the issuer or borrower;
- a breach of contract (e.g. default or past due event);
- where a lender has granted to the borrower a concession, due to the borrower's financial difficulty, that the lender would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; and
- the disappearance of an active market for the financial asset because of financial difficulties.

Low credit risk operational simplification approach

If a financial asset is determined to have low credit risk at the initial reporting date, the entity assumed that the credit risk has not increased significantly since initial recognition and accordingly can continue to recognise a loss allowance of 12-month expected credit loss.

In order to make such determination that the financial asset has low credit risk, the entity applied its internal credit risk ratings or other methodologies using a globally comparable definition of low credit risk.

A financial asset is considered to have low credit risk if:

- there is a low risk of default by the borrower;
- the borrower has strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term, may, but not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

A financial asset is not considered to carry low credit risk merely due to existence of collateral, or because a borrower has a lower risk of default than the risk inherent in the financial assets, or relative to the credit risk of the jurisdiction in which it operates.

Recognition of expected credit losses in financial statements

At each reporting date, the entity recognised the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. An amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (e.g. loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

2.7 Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in profit or loss.

Where the assets are not held primarily for their ability to generate net cash inflows – that is, they are specialised assets held for continuing use of their service capacity – the recoverable amounts are expected to be materially the same as fair value.

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

Where an impairment loss on a revalued individual asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

2.8 Employee provisions

Short-term employee provisions

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

Other long-term employee provisions

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

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

2.9 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

3.0 Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Account receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 2.6 for further discussion on the determination of impairment losses.

3.1 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.

3.2 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.

3.3 Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

3.4 Reserves

Other components of equity include the following:

AFS financial assets reserves – comprises gains and losses relating to these types of financial instruments.

Retained earnings include all current and prior period retained surpluses.

3.5 Comparatives

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

When the Entity retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

3.6 Critical accounting estimates and judgements

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

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

		2022	2021
		$	$
4	**Revenue**		
	Sale of goods and services	2,689,260	2,164,448
	Fundraising	-	1,129
	Sponsorships & grants	48,600	38,000
	Investment income	92	167
	Interest income - financial assets	3,003	145
	Interest income - lease receivables	16,803	7,051
		2,757,758	2,210,940
	Other revenue		
	Other revenue	4,931	1,450
	Government subsidies	-	316,613
	Rental income	12,407	14,146
	Lease relief	-	37,590
		17,338	369,799
5	**Expenses**		
	Audit, legal and consultancy fees		
	Audit fees - audit services	12,055	12,027
	Depreciation and amortisation expenses		
	Amortisation - right of use asset	295,994	341,473
	Amortisation - others	6,621	13,335
	Depreciation	96,943	148,291
		399,558	503,099
	Finance costs		
	Interest - lease liabilities	88,610	44,337
	Interest - others	3,007	-
		91,617	44,337
	Employee benefits expenses		
	Wages and salaries on cost	1,733,599	1,541,244
	Workers compensation insurance	44,721	35,342
	Superannuation expenses	142,308	139,908
	Employee benefits	19,367	20,231
		1,939,996	1,736,725
6	**Fair value gains/(losses) on financial assets**		
	Market revaluation of financial assets	376	(368)
7	**Cash and cash equivalents**		
	Current		
	Cash at bank	1,305,296	1,432,070
	Cash on hand	755	750
		1,306,051	1,432,820

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

		2022 $	2021 $
	Reconciliation to Statement of Cash Flows		
	For the purpose of the Statement of Cash Flows, cash is comprised of the following:		
	Cash at bank	1,305,296	1,432,070
	Cash on hand	755	750
		1,306,051	1,432,820
	Reconciliation of net surpluses after tax to net cashflows from operations		
	Net current year surplus/(deficit)	(52,220)	(28,937)
	Adjustment:		
	Amortisation expenses	6,621	354,808
	Depreciation expenses	96,943	148,292
	Interest income	-	(7,195)
	Interest paid	3,007	44,337
	Changes in working capital:		
	(Increase)/decrease in receivables	(35,209)	5,583
	(Increase)/decrease in inventories	(5,140)	2,565
	(Increase)/decrease in other assets	59,021	(1,721)
	(Increase)/decrease in financial assets	-	368
	Increase/(decrease) in other liabilities	(191,511)	4,599
	Increase/(decrease) in trade payables	25,637	25,404
	Increase/(decrease) in Employee provisions	19,367	20,231
	Net cash flows from operating activities	(73,484)	568,333
8	**Accounts and other receivables**		
	Current		
	Trade receivables	42,445	11,881
		42,445	11,881
9	**Inventories**		
	Current		
	Inventories	37,779	32,639
		37,779	32,639
10	**Lease receivables**		
	Current		
	Lease receivables	73,351	66,796
		73,351	66,796
	Non Current		
	Lease receivables	69,979	71,889
		69,979	71,889
11	**Other assets**		
	Current		
	Prepayments	32,823	21,454
		32,823	21,454

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

		2022 $	2021 $
	Non Current		
	Bonds	110,000	110,000
		110,000	110,000
12	**Property, plant and equipment**		
	Plant and equipment	895,983	730,914
	Less: Accumulated Depreciation	(742,984)	(682,070)
		152,999	48,845
	Leasehold Improvements	986,005	986,005
	Less: Accumulated Depreciation	(936,053)	(874,945)
		49,952	111,060
	Motor Vehicles	15,493	15,493
	Less: Accumulated Depreciation	(9,482)	(7,545)
		6,011	7,948
	Total	208,963	167,853
	Reconciliations of the carrying amounts		
	Plant and equipment		
	Opening balance	48,845	77,819
	Additions	165,069	19,173
	Depreciation	(60,914)	(48,147)
		152,999	48,845
	Leasehold Improvements		
	Opening balance	111,060	209,267
	Depreciation	(61,108)	(98,207)
		49,952	111,060
	Motor Vehicles		
	Opening balance	7,948	9,885
	Depreciation	(1,937)	(1,937)
		6,011	7,948
	Carrying amount	208,963	167,853
13	**Intangible assets**		
	Preliminary expenses	108,689	-
		108,689	-

Recovery of the carry amount for Preliminary expense is dependent on the successful completion of the project.

		2022	2021
		$	$
14	**Financial assets**		
	Listed securities	3,942	3,566
		3,942	3,566

Financial assets and liabilities

The carrying amounts presented in the statement of financial position relate to the following categories of assets

	2022	2021
Financial assets		
Cash and cash equivalents	1,306,051	1,432,820
Avaliable for sale financial assets		
- securities	3,942	3,566
Loans and receivables		
current		
- accounts and other receivables	42,445	11,881
- lease receivables	73,351	66,796
	1,425,789	1,515,063
Financial liabilities		
measured at amortised cost		
current		
- accounts and other payables	158,232	132,596
- lease liabilities	441,599	420,034
	599,831	552,629

		2022	2021
15	**Right of use assets**		
	Non Current		
	Right of use assets	503,868	682,947
		503,868	682,947
	Right of use		
	Opening balance	682,947	1,024,420
	Net revaluation on interest rate movement	116,915	-
	Amortisation - right of use asset	(295,994)	(341,473)
	Closing balance	503,868	682,947
	Lease receivables		
	Current	73,351	66,796
	Non current	69,979	71,889
		143,330	138,685
	Lease liabilities		
	Current	441,599	420,034
	Non current	244,279	457,614
		685,878	877,648

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

		2022	2021
		$	$
16	**Investments accounted for using the equity method**		
	Unlisted securities	-	6,621
		-	6,621

Manly Warringah Gymnastics Club Limited holds a 50% interest in Northern Beach Community Sports Centre Pty Ltd, is a strategic partnership with another party. The entity was setup to jointly put submission to the State Government for the allocation of State land for development into a purpose-built facility to enable the club to operate from with the other partner.

		2022	2021
17	**Accounts and other payables**		
	Current		
	Trade payables	49,534	6,016
	Other payables and accruals	108,698	126,579
		158,232	132,596
18	**Other liabilities**		
	Current		
	Credit cards	-	(176)
	Deferred revenue	170,450	170,366
		170,450	170,190
19	**Employee provisions**		
	Current		
	Annual leave	131,160	100,876
	Long service leave	5,935	5,464
		137,095	106,340
	Non Current		
	Long service leave	56,264	67,653

There were 61 employees at the end of the year

		2022	2021
20	**Lease liabilities**		
	Current		
	Unsecured		
	Lease liabilities	441,599	420,034
		441,599	420,034
	Non Current		
	Unsecured		
	Lease liabilities	244,279	457,614
		244,279	457,614
21	**Borrowings**		
	Non Current		
	Unsecured		
	Borrowings	87,776	-
		87,776	-

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

		2022 $	2021 $
22	Reserves		
	Movements in reserves:		
	Balance at beginning of financial year	(410)	(42)
	Revaluation	376	(368)
	Balance at end of financial year	(34)	(410)
23	**Retained surplus**		
	Balance at beginning of financial year	1,254,449	1,283,386
	Net current year surplus/(deficit)	(52,221)	(28,936)
	Balance at end of financial year	1,202,228	1,254,449
24	**Related parties transactions**		
	Total key management personnel remuneration	156,415	140,114

25. Capital commitments

There is no capital commitment made for 2023 financial year.

26. Contingent Liabilities

There are no contingent liabilities that the board members are aware of that will have material effects to the financial reports.

27. Events Subsequent to Reporting Date

There are no events subsequent to reporting date that the board members are aware of that will have material effects to the financial reports.

Manly Warringah Gymnastics Club Limited
ABN 49 155 260 343

Directors' declaration

In accordance with a resolution of the directors of Manly Warringah Gymnastics Club Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 9-31, are in accordance with the Corporations Act 2001 and:

   a. comply with Australian Accounting Standards; and

   b. give a true and fair view of the financial position of the Entity as at 31 December 2022 and of its performance for the year ended on that date.

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

Director

Director

Date: 1/03/2023

CHARTERED ACCOUNTANTS
AUSTRALIA + NEW ZEALAND

Leslie Pines CA
Chartered Accountant

Leslie Pines
ABN 87 801 065 160

Suite 1
102 Spofforth Street
Cremorne NSW 2090

Mobile: 0414962862
mailto:les@lespines.com.au
www.lespines.com

INDEPENDENT AUDITOR'S REPORT

To the members of Manly Warringah Gymnasium Club Limited

Opinion

I have audited the financial report of Manly Warringah Gymnasium Club Limited (the Entity), which comprises the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors declaration

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

(i) giving a true and fair view of the registered entity's financial position as at 31st December 2022 and of its financial performance for the year then ended; and

(ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001

Basis for Opinion

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

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

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

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 31 December 2022, but does not include the financial report and my auditor's report thereon.

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

In connection with my audit of the financial report, my 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

In preparing the financial report, the directors are responsible for assessing the Entity'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 intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am 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 my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the registered entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the registered entity audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

Leslie Pines

Dated this 2 day of March 2023

Suite 1, 102 Spofforth Street Cremorne NSW 2090