

2020/21 72nd ANNUAL REPORT

Adventure World Event



CONTENTS

Table of Contents

| | |
|--|----|
| CONTENTS | 2 |
| BOARD MEMBERS..... | 3 |
| STAFF MEMBERS | 3 |
| LIFE MEMBER HONOURS LIST | 4 |
| CURRENT LIFE MEMBER HONOURS LIST | 4 |
| PRESIDENT'S REPORT | 5 |
| GENERAL MANAGER'S REPORT | 6 |
| GM Report – COVID, Bushfires, Cyclone and PINDAN | 7 |
| GM Report - Membership..... | 8 |
| GM Report - Events and Vouchers | 9 |
| GM Report - Holiday Homes | 11 |
| GM Report - Marketing & Promotions | 14 |
| VALE | 15 |
| TREASURERS REPORT | 16 |
| FINANCIALS..... | 17 |
| Revenue and Expenditure Statement | 17 |
| Balance Sheet..... | 18 |
| REVIEWERS REPORT FOR FINANCIAL YEAR 2020-2021 | 24 |
| CONTACT INFORMATION | 26 |

BOARD MEMBERS

As of June 30, 2021

PRESIDENT

AARON BOWLING

VICE PRESIDENT

EMMA BROWN

TREASURER

MILES JUPP

SECRETARY

LAUREN SHAW

LIA PRZYMENSKA

ALBERT KOENIG

KATIE MCINTYRE

GENE MATTHEWS

STAFF MEMBERS

As of June 30, 2021

GENERAL MANAGER

DWAYNE WESCOMBE

FINANCE & ADMINISTRATION OFFICER

NISHA SHAH

MARKETING & ADMINISTRATION OFFICE

SOPHIE FRAZER

ADMINISTRATION OFFICER

SAMANTHA MANDERSON

LIFE MEMBER HONOURS LIST

| Awarded | No. | Name | Awarded | No. | Name |
|---------|-----|------------------|---------|-----|-----------------|
| 1961 | 1 | John Kay | 1981 | 20 | Alec Campbell |
| 1961 | 2 | George Mell | 1981 | 21 | Arthur Logue |
| 1962 | 3 | Ray Axon | 1983 | 23 | Bill MacArthur |
| 1965 | 4 | Roy Smith | 1983 | 24 | Ted Hannay |
| 1968 | 5 | Norm Henry | 1983 | 25 | Vic Lundberg |
| 1968 | 6 | Ted Usher | 1984 | 26 | Dirk Harmsen |
| 1969 | 7 | Roy McLoughlin | 1984 | 27 | Len Darby |
| 1969 | 8 | Wally Crowd | 1985 | 30 | Eric Briedis |
| 1970 | 9 | Murray Jardine | 1985 | 31 | David Rubery |
| 1970 | 10 | Stan Criddle | 1986 | 33 | Alan Ridgwell |
| 1972 | 11 | Neville Armitage | 1986 | 34 | Denbigh Lintern |
| 1973 | 12 | George Gordon | 1989 | 37 | Ron Dent |
| 1974 | 13 | John Sullivan | 1991 | 40 | Basil Hawkins |
| 1976 | 15 | Jack Tunstill | 1995 | 46 | Ron Rogers |
| 1978 | 16 | Robert Nelson | 2011 | 61 | Harry Thomas |
| 1979 | 19 | Bert Trezise | | | |

CURRENT LIFE MEMBER HONOURS LIST

| Awarded | No. | Name | Awarded | No. | Name |
|---------|-----|-----------------|---------|-----|-----------------------|
| 1976 | 14 | Ron Jesson | 1999 | 50 | Wes Capenhurst |
| 1979 | 17 | Shirley Davis | 1999 | 51 | Peter Bali |
| 1979 | 18 | Cliff Sutton | 2000 | 52 | Don Bower |
| 1982 | 22 | Con Smith | 2001 | 53 | John Souter-Robertson |
| 1984 | 28 | Alan Peskett | 2004 | 54 | Val Brojanowski |
| 1985 | 29 | Neville Millar | 2008 | 55 | Nigel Perry |
| 1985 | 32 | Leo De Angelis | 2008 | 56 | Alex Papadopoff |
| 1988 | 35 | Peter Hills | 2009 | 57 | Alec Jeffrey |
| 1989 | 36 | Charlie Casini | 2010 | 58 | Peter Richards |
| 1991 | 38 | Bruce Gibbney | 2010 | 59 | Keith Weaire |
| 1991 | 39 | Philip Craven | 2010 | 60 | John Halliday |
| 1992 | 41 | Neville Fry | 2012 | 62 | Andrew Fraser |
| 1993 | 42 | Wayne Hayes | 2017 | 63 | Ron Croager |
| 1993 | 43 | Mario Piromalli | 2017 | 64 | John Jendrzeczak |
| 1993 | 44 | Ron Harrison | 2018 | 65 | Harry Webster |
| 1994 | 45 | Neville Riches | 2020 | 66 | Ken Lee |
| 1996 | 47 | Gavin Muir | 2020 | 67 | Kim Metcalfe |
| 1996 | 48 | Neil Fry | 2020 | 68 | Stan Wilkosz |
| 1996 | 49 | Lorraine Tapper | | | |

PRESIDENT'S REPORT

I would like to start by thanking Dwayne and his team as well as my fellow board members on all the work you all put in this past year under very difficult circumstances at times. I would also like to thank the Life Members who helped build our great club. I would also like to take the time to remember all of our members who have passed away this year. This is our 72nd AGM and we are still going strong thanks to all of those who have helped build our wonderful club. We still had to deal with the COVID-19 situation this year as well as a bushfire and cyclone Seroja, but our club delivered some great results for our members which took a lot of hard work from Dwayne and his staff as well as the board.

I would like to thank each of our members as you are what makes this club great. Thank you to my fellow board members and the office staff as you all work very hard to ensure we offer the best possible service to our members. The Board (Gene, Emma, Lauren, Katie, Lia, Al, and Miles) have worked with Dwayne and his team (Heidi, Nisha, Sophie, and Sam) to continue providing great benefits to our members and to ensure we maintain the quality of our holiday homes. Thank you to Ray Elvidge as well for serving as our chairperson for the Constitution committee again. Thank you to Emma Brown and Gene Matthews who took turns chairing the Holiday Homes committee and thank you to Lauren Shaw for chairing the Membership committee. A special mention to the partners and families of the board members and the office staff as I know we demand a lot from everyone which impacts their home life, and your understanding and support is very important to every one of us.

I would like to thank our major sponsors Western Power and Synergy. Without their generous support a lot of what we provide would not be possible and we appreciate everything they have done for our club. We look forward to maintaining a key partnership with both of our wonderful sponsors in the future.

We sold 2 of our Mandurah properties this past year and we have since purchased the Jurien Bay property as well, and I want to thank Dwayne, Sam, Nisha, Miles, and Emma for their hard work on these projects. The Jurien Bay property looks great, and I think all of our members will be very happy with this property for many years to come. We continue to focus on providing the best possible value for money with our holiday homes and we will continue to invest in this area of the club.

We have continued to engage with our members through our regular communication via diverse platforms (email newsletters, Facebook, lift posters and tv screens etc), and we want to continue our focus on engaging our members and we want to return maximum value to all of our members.

Lauren Shaw and Katie McIntyre will be leaving the board and I will miss working with both of them as they both helped deliver some great results. Heidi has also left the club for a great opportunity and I want to thank her for her contribution to the club as well. Heidi has remained a member so you will probably see her at some events from time to time. Sophie has joined the team and she is a welcomed addition to Dwayne's already strong team. I look forward to working with the new board who will be announced later tonight.

The Club's membership base as at 30th June 2021 is over 2,600 members strong, and our membership base is growing thanks to the marketing efforts from our staff through depot visits and social engagements. We will continue to work with our members to maintain our value for money offering and to continue improving our club in the future.

GENERAL MANAGER'S REPORT

I started the 2020 annual report by indicating it had been an “extraordinary year”, and I can now report that 2021 made a valiant attempt at matching it by introducing new challenges to the Club. Despite these challenges, the Club delivered a very solid financial result on the back of increased occupancy attributed to interstate and overseas travel restrictions. Board and staff are again to be thanked for being proactive, flexible and supportive throughout this period. Members are also to be congratulated for their patience and understanding as we worked through these challenges. More on these challenges later in this report.

I wish to extend my thanks to the EWSC Office Team – they are an amazing team of skilled, committed, and enthusiastic employees who go well beyond their roles to provide service to Members. The extended EWSC Team includes our Holiday Home Caretakers who also provide service to our Members - services that are usually unseen and that Members are often even unaware of.

Nisha Shah joined the EWSC team as the Finance and Administration Officer, with her abilities further strengthening our team and allowing us to implement even stronger and more accurate financial management and controls. Heidi Serong (Marketing and Administration Officer) left EWSC at the end of April to take up an amazing opportunity with Rio Tinto, and from all accounts she is enjoying it, and excelling in her new position. Sophie Frazer started in May in this role and has already proven to be a very valuable team member. Samantha Manderson has now been with the Club for 3 years and, as always, is an extremely flexible hard worker who is very knowledgeable in all aspects of Club operations. I cannot thank the EWSC Team enough for the hard work, enthusiasm, and commitment.

Our focus over the past 12 months has been to improve 1) staff and caretaker culture, 2) Holiday Home maintenance and presentation, 3) operational systems, compliance, and efficiencies (financial, Holiday Homes and administrative) and 4) Member communication and engagement. Improvements in these areas is creating a strong underpinning foundation from which the Club can continue to grow and flourish. This, along with confidence in the COVID environment improving, now provides us the ability to focus on Events and Marketing moving forward.

I trust the rest of this report reflects that the 2021 Financial Year was far from a typical year and provides you with a glimpse into the running of the Club through this period.

GM Report – COVID, Bushfires, Cyclone and PINDAN

2021 brought a collection of unique challenges to Energy West Social Club. COVID hasn't gone away, and we all experienced lockdowns in February, April, and June. Bushfires in February devastated large areas, and seen many Member's working on recovery crews. Cyclone Seroja also ravaged Kalbarri in April, leaving the town and surrounding areas shocked and many areas demolished.

Lockdowns in February, April and June led to cancellations, refunds, and rescheduling of accommodation for many bookings, most of which occurred with staff working from home. 2 events were also cancelled due to the COVID lockdowns.

Bushfires in February also led to changes to Holiday Home accommodation as some Members had their leave cancelled, or were recalled from leave, to work on recovery crews.

Cyclone Seroja caused considerable disruption to Kalbarri, with electricity being cut for several weeks, and forcing EWSC to cancel all bookings for 7 weeks. While much of the town received significant damage, EWSC were spared this, and only received comparatively minor damage. The 2 x Townhouses lost their rear fence and receive minor damage under the eaves. The rear fence is still to be replaced due to 1) a shortage of contractors and 2) insurance issues being experience by a neighbour, however with recent developments we are hopeful the fence will be replaced in the coming month. Despite the Riverview Holiday Apartments complex receiving considerable damage, the 2 x EWSC properties received no damage at all.

Kalbarri is still recovering, with some businesses still to open due to damage, and many residential properties still to receive repairs.

Throughout these challenges I am happy to report that Energy West Social Club were able to contribute back to our Members, sponsors, and communities:

- Free accommodation was provided, at short notice, to a Member and his family who were unable to return to their property due to bush fires.
- Cancellation policies were waived for those members impacted by COVID lockdowns and bushfires.
- Western Power crews were accommodated free of charge at the Kalbarri Townhouses to assist with the Cyclone recovery.
- DFES crews were accommodated free of charge at the Riverview Holiday Apartments to assist with the Cyclone recovery.

EWSC also applied for, and received, COVID and cyclone subsidies and grants from the WA Government, Water Corporation and Western Power (\$7,392).

During May 2021, several PINDAN entities went into liquidation. At that time PINDAN were owners of some Capeview Resort Common Assets including the Caretakers Cottage, Pools, Gym, Games Room and Reception Area. These common areas are now unavailable to guests, with the Capeview Strata investigating the possibility of purchasing this Common Property. If successful in this purchase the Capeview Strata may impose levies on unit owners to recover all, or some, of the purchase cost. Al Koenig is a member of the Capeview Strata Council of Owners who have contributed considerable time and effort working with owners, liquidators, valuers, and legal teams.

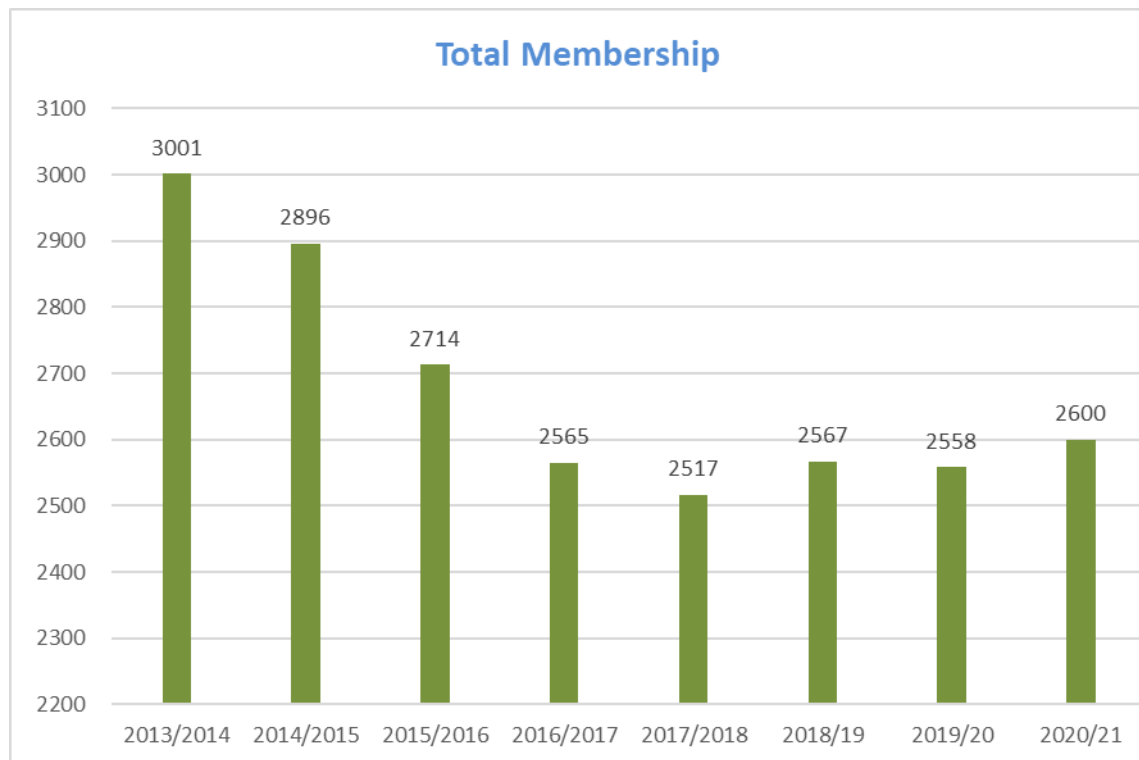
GM Report - Membership

Serving our members is why we exist, and we are always excited to see new members register, become part of the EWSC family, and take advantage of the Club's benefits. There was an increase of 42 Members over the 2021 financial year leaving us at 2600 Members as of 30 June.

We were very successful in attracting many new Members during the year, however we also lost quite a few Members due to various reasons including 1) not being able to book accommodation due to high occupancy rates, 2) moving on from the Energy Industry and unfortunately 3) Members passing (see Vale page).

We have undertaken a strong push this year to remind Member that their Children (over 18), parents and siblings can also become Annual Members with the Club. We will also continue with the following to promote EWSC membership as they have proved to be successful over the past 2 years:

- Increasing our membership engagement, resulting in referrals from current members.
- Smart and savvy marketing and promotional material.
- Depot site visits.
- Face to face interactions at social events.



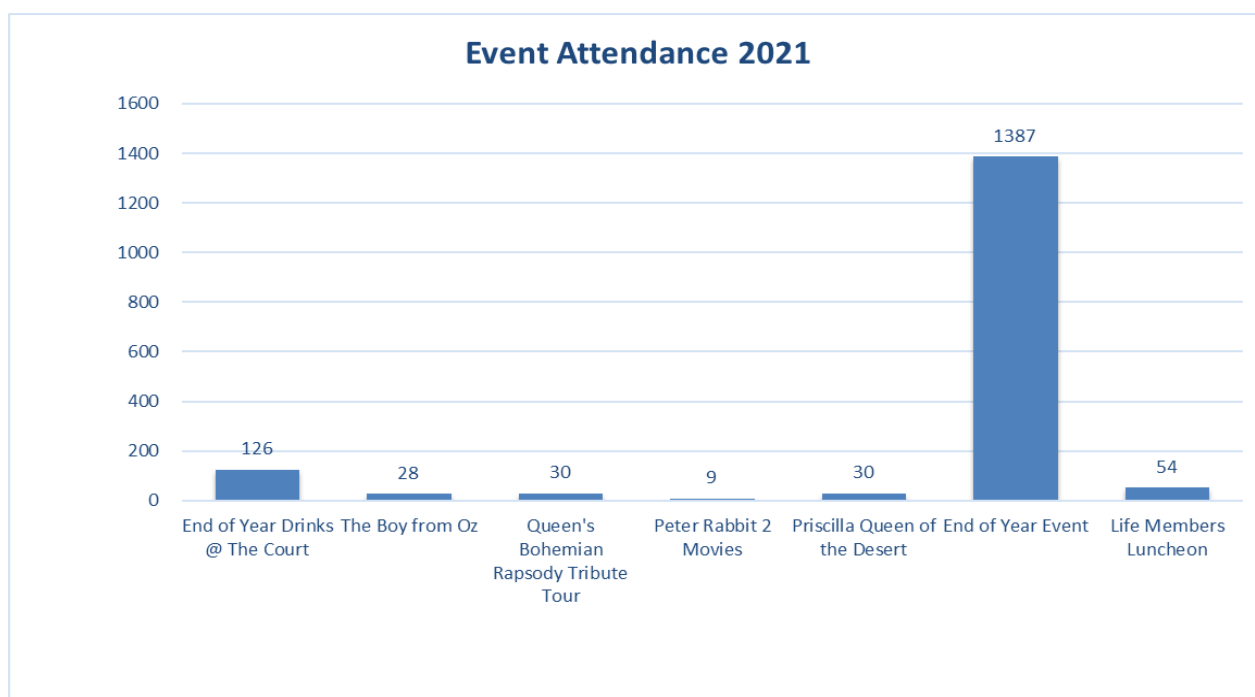
GM Report - Events and Vouchers

COVID-19 continued to impact the number of events that EWSC ran throughout the 2021 Financial Year, including the Royal Show and 2 x EWSC events being cancelled. A total of 1664 members attended a smaller than usual variety of events.

The Annual Family Event was held at Adventure World in February 2021. This event proved to be extremely popular and has been booked again for February 2022. Holding this event in February has several advantages including 1) weather is more predictable, 2) slightly longer daylight time, 3) we can obtain Saturday nights 4) Members tend to already have a lot of engagements during December and 5) a significant cost saving to EWSC. Feedback from Members about running this event this time of year has been very positive.

The Life Members Luncheon was moved to April due to COVID, however it proved to be no less popular with 54 attendees. Stan Wilkosz, Kim Metcalfe and Ken Lee were presented with their Life Membership certificates and badges at this luncheon.

As we learn to live with COVID, and the risk of short notice restrictions continues to lessen, Members will see a return to the number of social events EWSC will hold. Please keep an eye on your fortnightly newsletter to keep abreast of what's coming up.



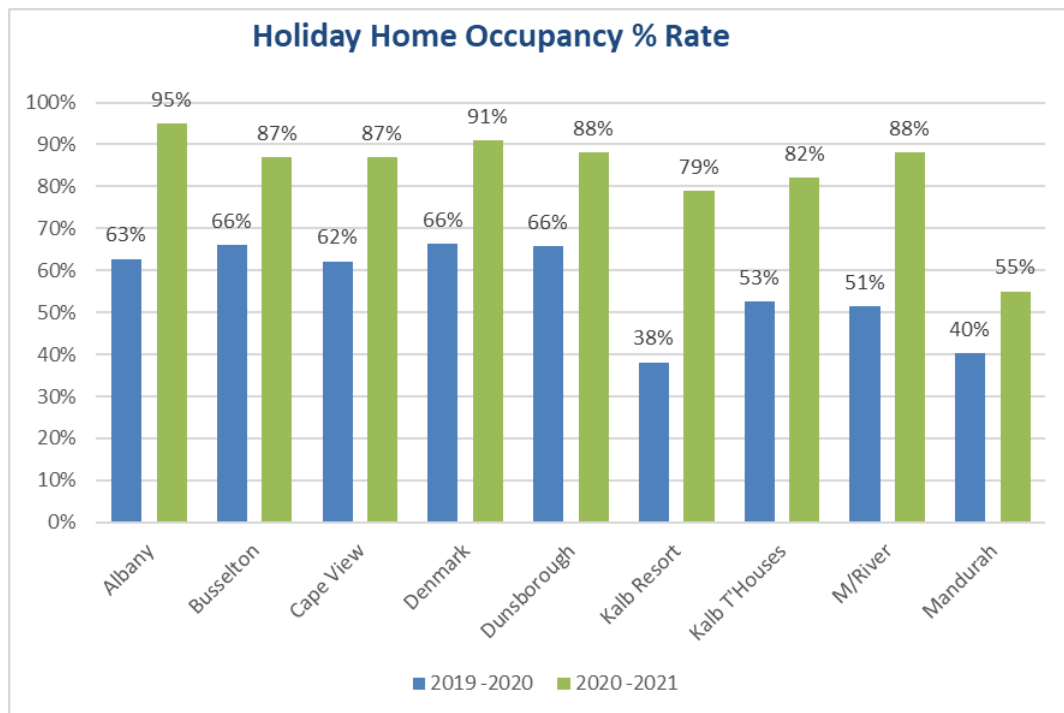
We continue to partner with Neat Ideas to provide a platform for our members to purchase a huge variety of discounted tickets and products. Cinema tickets, Rottnest Ferries, and Adventure World tickets remain the most popular products, however a wide variety of other products are also available. Neat Ideas continue to broaden their offerings and develop partnerships offering additional benefits to Members. If you haven't had a look at the web site lately, I recommend that you do so.



During 2019 Entertainment (formerly Entertainment Book) moved to an app only subscription – i.e. they no longer printed hard copy books. This significantly impacted the number of books being sold by EWSC, and the number continued to decline during 2021 despite Newsletter, Facebook and poster promotions. If you are not sure if the electronic version of Entertainment is suitable for you, then please ask someone who uses it (including me) to demonstrate it to you – there are some significant advantages to using the electronic version.

GM Report - Holiday Homes

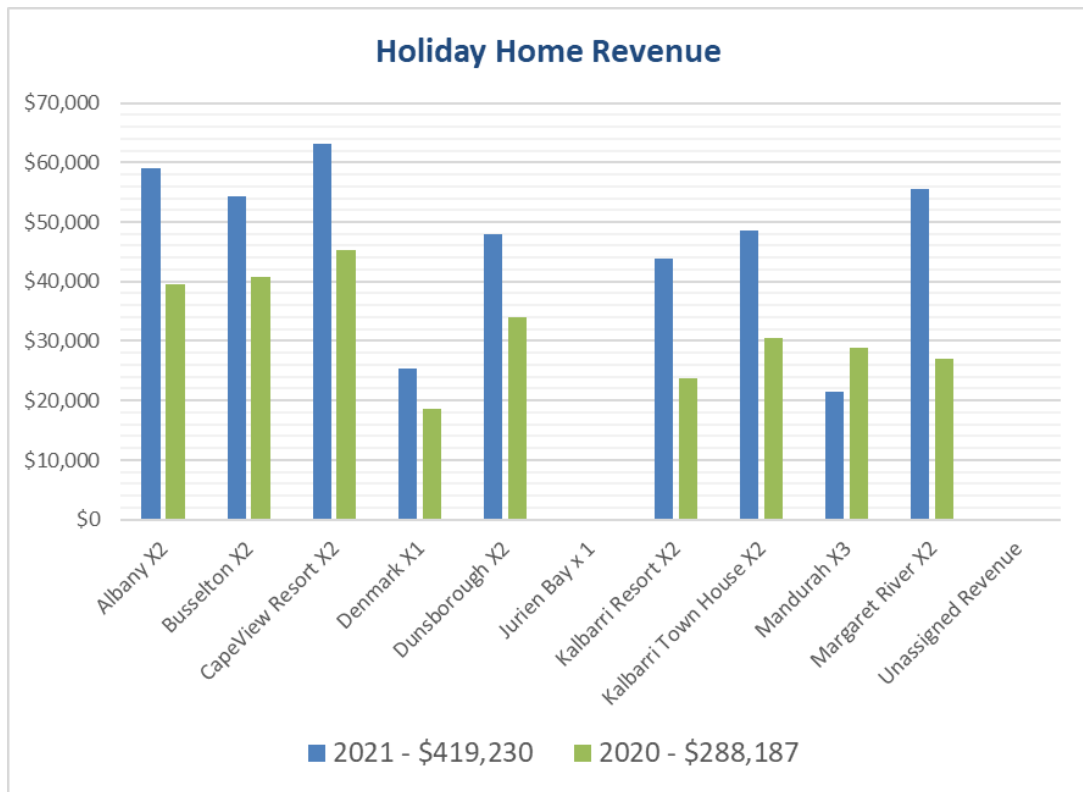
Average Holiday Home occupancy for 2021 was higher than normal due to Member not being able to travel interstate or overseas. Despite some lost occupancy due to COVID lockdown, bushfires and a cyclone, the average occupancy across all homes was 83.3% - an occupancy rate I doubt has ever been achieved before.



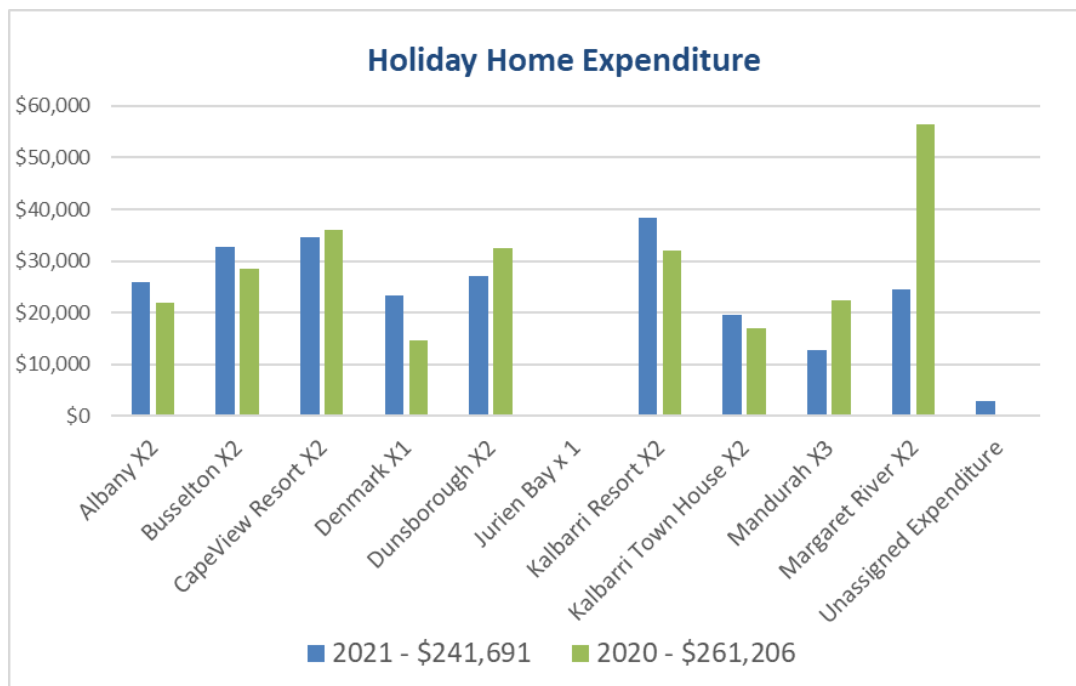
While significantly higher occupancy than previous years, Mandurah was the least occupied property during 2021, reinforcing the decision to dispose of two of the Mandurah properties. Occupancy rates this high made very few days available to undertake regular maintenance and quarterly cleans, however we were still able to undertake minor maintenance works and replacement of some furnishings, including:

- Completed the renovation works at 2 x Margaret River.
- New hard flooring in Denmark – replacing the older cork flooring.
- New dining table in Denmark
- New lounge suites in 2 x Capeview
- New fridge at 1 x Riverview Holiday Apartments
- New lounge suites and dining tables in 2 x Riverview Holiday Apartment
- Update all properties to Smart TV's (12 TV's)
- New oven in 1 x Capeview
- New floor rugs in 2 x Albany
- New AC Unit 1 x Dunsborough
- New instantaneous hot water service Denmark
- New queen bed 1 x Albany
- Painting and repairs to eaves and gables 2 x Dunsborough
- New shower screens 2 x Dunsborough
- All properties provided with cot and highchair (previously 1 set per 2 x properties)
- Cleaning of roof tiles 1 x Dunsborough
- New BBQ 1 x Dunsborough
- New vacuum cleaners across multiple properties

Considerable work has been undertaken over the past 12 months in the presentation of the EWSC Homes. Caretakers and EWSC Staff are to be congratulated in achieving a fantastic result with Welcome Home Surveys showed an average satisfaction rate across all properties of 67% in April 2020 but increasing to 88% in the most recent survey results.



Please Note: Holiday Home Revenue is shown on an accrual basis.



Due to declining occupancy a decision was made late last year to sell two Mandurah properties. The sale of both 19 & 21 Stewart Street were finalised during 2021. 30 Hall Street has been retained for those members wishing to stay in the Mandurah area.

11 Heaton Street, Jurien Bay, was subsequently purchased to add to the EWSC Holiday Home portfolio. This property was made available from September 4, 2021 and forward bookings are very strong.

All Holiday Homes and caretakers, other than Mandurah, were visited throughout the year.

Unfortunately, we farewelled two caretakers during the 2021 financial year, and welcomed new caretakers into the team:

- Albany caretaker Julia Marsh left to undertake study and Jono and Jo Wesley joined the EWSC team.
- Denmark caretaker Gary Burford returned to the team again after Elise Liston & Daniel Gething decided caretaking wasn't for them.

Our Caretakers are a critical part of the EWSC team, and they are to be congratulated on the work they undertake, often voluntarily and unpaid, and nearly always behind the scenes where their services are unseen by Members.

GM Report - Marketing & Promotions

Our Marketing and Promotions have continued through 2021 and the following was able to be undertaken:

- Depot visits including Toolbox Meetings and presentations.
- Attendance at 3 x Synergy Employee Benefit Days – Collie, Cockburn and Perth.
- Continued relationship building with employer payroll and HR departments.
- Continued relationship development and building with other stakeholders including Member Benefits Card partners, Clubs WA, Neat Ideas and other suppliers. The list of stakeholders and partners continues to grow, and we are looking forward to the full benefits of the work that has been undertaken.
- 72 Newsletters and other generic emails communication were sent to members.
- Our email open rate has risen from 60.28% to 62.3 % (not-for-profit average is 24.11%) and our click rate is risen 6.2% to 6.34% (not-for-profit average is 2.57) – this demonstrates an engaged Membership.
- Our Newsletter recipient list increased from 2,593 to 2,913 in FY 2021.
- We gained 75 new Facebook Group members with a total of 672 as at 30th of June 2021.
- We ran promotions on TV screens throughout industry sites.
- Last minute holiday home cancellations were very successfully promoted in the Newsletter and on Facebook. This not only increases occupancy, but also assisted cancelling members in receiving a greater refund.
- Events, holiday homes and memberships were promoted through Newsletter's, Facebook page, group and posters throughout industry sites.



Energy West Social Club is saddened to learn of the passing of these Members between 1 July, 2020 and September 15, 2021*. We extend our condolences to family and friends.

Bamford, Arthur

Batten, Colin

Bishop, Geoff

Blades, Jack

Bollans, Alan

Brown, Robert

Edgar, Nerida

Emery, Jack

Gironda, Oscarre

Glass, Keith

Gregory, Jim

Grundy, Vivian

Hawkins, Ray

McNamara, Brian

Meade, Mervyn

Merritt, Colin

Morrissey, William

Oswald, Vince

Ricketts, Ronald

Roffman, Geoff

Saunders, Doug

Smith, Alton

Swarbrick, Robert

Tully, Desmond

Van Hazel, Neil

Venter, Willie

White, Mick

**Please note EWSC learned of the passing of these Members during this period – individuals may have passed prior to July 1, 2020.*

TREASURERS REPORT

Due to COVID, and Members not being able to travel interstate or overseas, occupancy was high for the 2021 Financial Year, with a corresponding increase in revenue, leading to a significantly profitable year. It has also resulted in a significant increase in bookings for future periods with Members keen to secure accommodation in the future.

Holiday Home & Membership Revenue Accruals

There has been a change to the EWSC accounting method this year which changes to the way Holiday Home revenue and Annual/Retired Membership is recorded. Despite EWSC being listed with the ATO as reporting on an accrual basis, Holiday Home and Annual/Retired Membership revenues had been recorded on a cash basis. This creates several challenges:

- This method is not fully compliant with our financial reporting requirements with the ATO.
- Holiday Home Revenue, Membership Revenue, Net Profit, and Gross Profit have not been representative of the corresponding reporting periods. This would be misrepresentative of financial performance this year given the increase in advanced bookings for Financial Year 2022.

Significant work has been undertaken over the past few months to ensure this revenue can be reported in the period in which it is realised (accrual basis), providing Board and management the opportunity to make better informed decisions with more accurate and meaningful reports.

2021 is the transition year for the implementation of these new accruals, so the reported financials only reflect one side of the accruals, rather than both sides, and therefore show an accounting Operating Loss for the year, despite it being a profitable operating year for the Club. Comparative Financials are included later in this report showing the financial performance of the Club under the various scenarios.

- 2020 on a cash basis for Holiday Home and Annual/Retired Memberships
- 2021 on a cash basis for Holiday Home and Annual/Retired Members
- 2020 on an accrual basis, adjusted for both sides of the accruals
- 2021 on an accrual basis, adjusted for both sides of the accruals
- 2021 as reported in the official Club financials

Other Significant Financial Highlights for 2021 Financial Year:

- There was a significant increase in revenue attributed to increased occupancy.
- A significant Profit from the Sale of Assets is due to the sale of 2 x Mandurah properties. Capital Gains Tax will be due on some of this surplus; however it is expected current Tax Credits held with the ATO will fully offset this.
- The Balance Sheet indicates two new values in "Membership Revenue Collected in Advance" and "Accommodation Revenue Collected in Advance". These values are reflective of revenue received in the 2021 Financial Year that will be realised in the 2022 Financial Year – see above "Holiday Home and Membership Revenue Accruals".
- Financial reports including the current month and YTD, holiday home and event profit and loss reports, occupancy and membership movement reports, were reviewed by the treasurer and submitted to the board on a monthly basis.
- All ATO and payroll tax liabilities, including our Company Tax return, were prepared, and lodged with the ATO by due dates.
- Reconciliations of all balance sheet items were completed on a monthly basis and a review and summary of movements of the profit and loss vs budget analysis were supplied to the treasurer for review before being submitted to the board.
- Additional financial, statistical and compliance reporting is now made to Board monthly.

Many thanks to Jamie Wallis, Deon Conradie, Brian Grayson and Doris Tay for undertaking the 2021 financial review. This requires a lot of work, and this team undertook the review in a voluntary capacity.

The Reviewed Financial Reports can be found in this report.

FINANCIALS

Financial Statements 2021

Revenue and Expenditure Statement

| | 2020/21 | 2019/20 |
|--------------------------------------|------------------|------------------|
| REVENUE | | |
| Holiday Homes – Revenue ¹ | \$293,887 | \$319,073 |
| Events & Vouchers | \$9,008 | \$11,649 |
| Memberships ¹ | \$202,296 | \$236,591 |
| Sponsorship | \$51,307 | \$51,125 |
| Other Revenue | \$28,402 | \$28,246 |
| TOTAL REVENUE | \$584,899 | \$646,684 |
| COST OF SALES | | |
| Holiday Homes | \$241,691 | \$261,210 |
| Tickets - Vouchers | \$909 | \$2,146 |
| Events | \$45,943 | \$47,278 |
| Membership | \$4,132 | \$500 |
| Country Allocations | \$45,391 | \$51,607 |
| TOTAL COST OF SALES | \$338,066 | \$362,737 |
| GROSS PROFIT | \$246,834 | \$283,947 |
| EXPENSES | | |
| Employment | \$280,697 | \$247,210 |
| Administration Expenses | \$16,955 | \$13,563 |
| Insurances | \$18,387 | \$16,038 |
| Honorariums | \$2,210 | \$1,940 |
| AGM | \$277 | \$664 |
| Board Expenses | \$1,703 | \$269 |
| Marketing | \$1,586 | \$947 |
| Membership Expenses | \$397 | \$0 |
| TOTAL EXPENSES | \$322,212 | \$280,632 |
| OPERATING PROFIT/(LOSS) | -\$75,379 | \$3,315 |
| OTHER INCOME | | |
| Bank Interest Earnt | \$6,376 | \$12,622 |
| Misc. Income | \$359 | \$0 |
| Govt. Subsidy | \$6,000 | \$0 |
| Revenue – Profit Sale of Asset | 366,333 | \$0 |
| TOTAL OTHER INCOME | \$379,068 | \$12,622 |
| OTHER EXPENSES | | |
| Depreciation | \$92,230 | \$106,915 |
| TOTAL OTHER EXPENSES | \$92,230 | \$106,915 |
| NET PROFIT/(LOSS) | \$211,460 | -\$90,977 |

¹“Holiday Homes – Revenue” and “Membership Revenue” are revenues received during the 2021 FY less any revenue received in advance for accommodation and Membership applicable to the 2022 FY.

Balance Sheet

| | 2020/21 | 2019/20 |
|--|--------------------|--------------------|
| GENERAL RESERVE | \$6,475,145 | \$6,724,467 |
| CURRENT ASSETS | | |
| Cash - Operating Accounts | \$335,367 | \$321,302 |
| Cash - Fixed Term | \$456,120 | \$450,000 |
| Prepayments | \$6,623 | \$1,000 |
| Stock on Hand | \$860 | \$43 |
| Electronic Clearing Account | \$0 | -\$35 |
| Petty Cash - Holiday Homes | \$61 | \$198 |
| Accrued Income | 2,066 | \$0 |
| Trade Debtors | -\$2,280 | -\$8,449 |
| TOTAL CURRENT ASSETS | \$798,817 | \$764,059 |
| FIXED ASSETS | | |
| Assets at Cost | \$6,336,922 | \$6,428,384 |
| LESS Accumulated Deprec | -\$408,066 | -\$343,653 |
| NON-CURRENT ASSETS | \$5,928,856 | \$6,084,731 |
| TOTAL ASSETS | \$6,727,673 | \$6,848,791 |
| CURRENT LIABILITIES | | |
| Trade Creditors | \$11,764 | \$106,722 |
| Member Rev. Collected in Advance ² | \$22,575 | \$0 |
| Accomm. Rev. Collected in Advance ² | \$170,030 | \$0 |
| Clean Revenue Collected in Advance | \$9,740 | \$0 |
| Credit Card | -\$919 | -\$87 |
| GST Collected | \$8,487 | \$6,731 |
| GST Paid | -\$3,301 | -\$5,442 |
| ATO Integrated Client Account | \$0 | -\$2,906 |
| TOTAL CURRENT LIABILITIES | \$218,376 | \$105,018 |
| PAYROLL LIABILITIES | | |
| PAYG | \$5,552 | \$3,580 |
| Superannuation | \$2,483 | \$0 |
| Employment Leave | \$26,117 | \$15,726 |
| TOTAL PAYROLL LIABILITIES | \$34,152 | \$19,306 |
| TOTAL LIABILITIES | \$252,527 | \$124,324 |
| NET ASSETS | \$6,475,145 | \$6,724,467 |
| EQUITY | | |
| Asset Revaluation Reserve | \$3,564,664 | \$4,025,445 |
| Retained Reserves Pas Yrs. | \$2,701,425 | \$2,792,401 |
| Current Year Reserves | \$211,459 | -\$90,977 |
| Historical Balancing Account | -\$2,402 | -\$2,402 |
| TOTAL EQUITY | \$6,475,145 | \$6,724,467 |

²"Member Rev. Collected in Advance" and "Accomm. Rev. Collected in Advance" are new balance sheet amounts showing revenue received in the 2021 FY that is applicable to the 2022 FY.

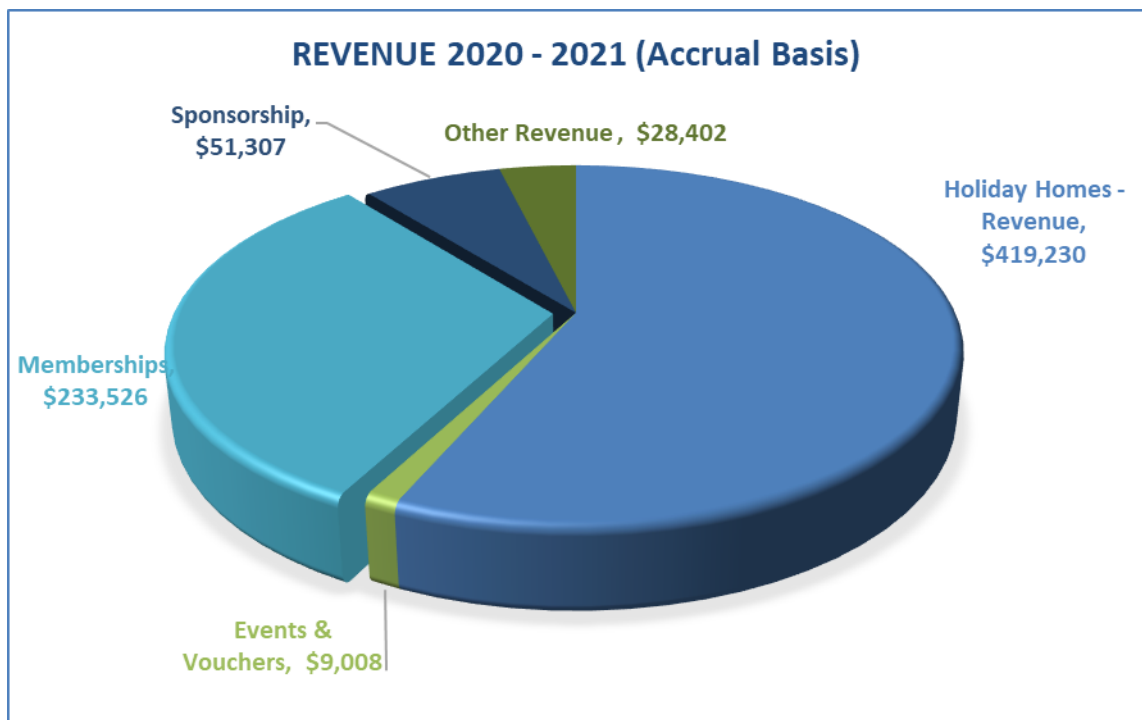
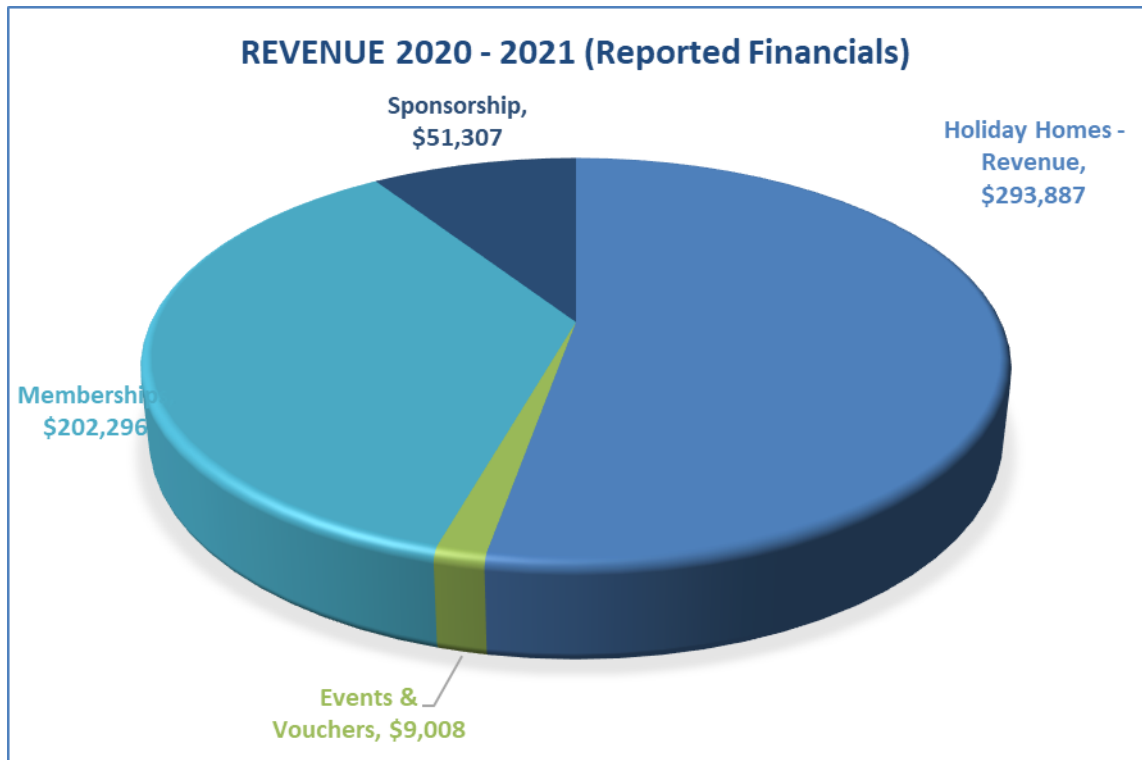
2021 & 2020 Comparative Revenue & Expenditure Statement

| | CASH BASIS | | ACCRUAL BASIS | | REPORTED |
|--------------------------------|-------------------|----------------|-------------------|-----------------|----------------|
| | 2020/21 | 2019/20 | 2020/21 | 2019/20 | 2020/21 |
| <u>REVENUE</u> | | | | | |
| Holiday Homes - Revenue | 473,657 | 319,073 | \$ 419,230 | 288,187 | \$293,887 |
| Events & Vouchers | 9,008 | 11,649 | \$ 9,008 | 11,649 | \$9,008 |
| Memberships | 224,871 | 236,591 | \$ 233,526 | 235,545 | \$202,296 |
| Sponsorship | 51,307 | 51,125 | \$ 51,307 | 51,125 | \$51,307 |
| Other Revenue | 28,402 | 28,246 | \$ 28,402 | 28,246 | \$28,402 |
| TOTAL REVENUE | 787,244 | 646,684 | \$ 741,473 | 614,751 | 584,899 |
| <u>COST OF SALES</u> | | | | | |
| Holiday Homes | \$ 241,691 | 261,207 | 241,691 | 261,207 | \$241,691 |
| Events & Vouchers | \$ 46,852 | 46,956 | 46,852 | 46,956 | \$ 46,852 |
| Membership | \$ 4,132 | 500 | 4,132 | 500 | \$ 4,132 |
| Country Allocations | \$ 45,391 | 51,607 | 45,391 | 51,607 | \$ 45,391 |
| TOTAL COST OF SALES | \$ 338,066 | 360,270 | 338,066 | 360,270 | 338,066 |
| GROSS PROFIT | 449,179 | 286,414 | 403,407 | 254,481 | 246,834 |
| <u>EXPENSES</u> | | | | | |
| Employment | 280,697 | 247,210 | 280,697 | 247,210 | \$280,697 |
| Administration Expenses | 16,955 | 13,563 | 16,955 | 13,563 | \$16,955 |
| Insurances | 18,387 | 16,038 | 18,387 | 16,038 | \$18,387 |
| Honorariums | 2,210 | 1,940 | 2,210 | 1,940 | \$2,210 |
| AGM | 277 | 664 | 277 | 664 | \$277 |
| Board Expenses | 1,703 | 269 | 1,703 | 269 | \$1,703 |
| Marketing | 1,415 | 926 | 1,415 | 926 | \$1,415 |
| Membership Expenses | 568 | 2,488 | 568 | 2,488 | \$568 |
| TOTAL EXPENSES | 322,212 | 283,099 | 322,212 | 283,099 | 322,212 |
| OPERATING PROFIT/(LOSS) | 126,966 | 3,315 | 81,195 | -28,617 | -75,379 |
| <u>OTHER INCOME</u> | | | | | |
| Bank Interest Earnt | 6,376 | 12,622 | 6,376 | 12,622 | \$6,376 |
| Misc Income | 359 | | 359 | | \$359 |
| Govt Subsidy | 6,000 | | 6,000 | | \$6,000 |
| Revenue - Profit Sale of Asset | 366,333 | | 366,333 | | \$366,333 |
| TOTAL OTHER INCOME | 379,068 | 12,622 | 379,068 | 12,622 | 379,068 |
| <u>OTHER EXPENSES</u> | | | | | |
| Depreciation | 92,230 | 106,915 | 92,230 | 106,915 | \$92,230 |
| Suspense - Expenses | 0 | | 0 | | \$0 |
| TOTAL OTHER EXPENSES | 92,230 | 106,915 | 92,230 | 106,915 | 92,230 |
| Net Profit/Loss | 413,805 | -90,977 | 368,033 | -122,910 | 211,460 |

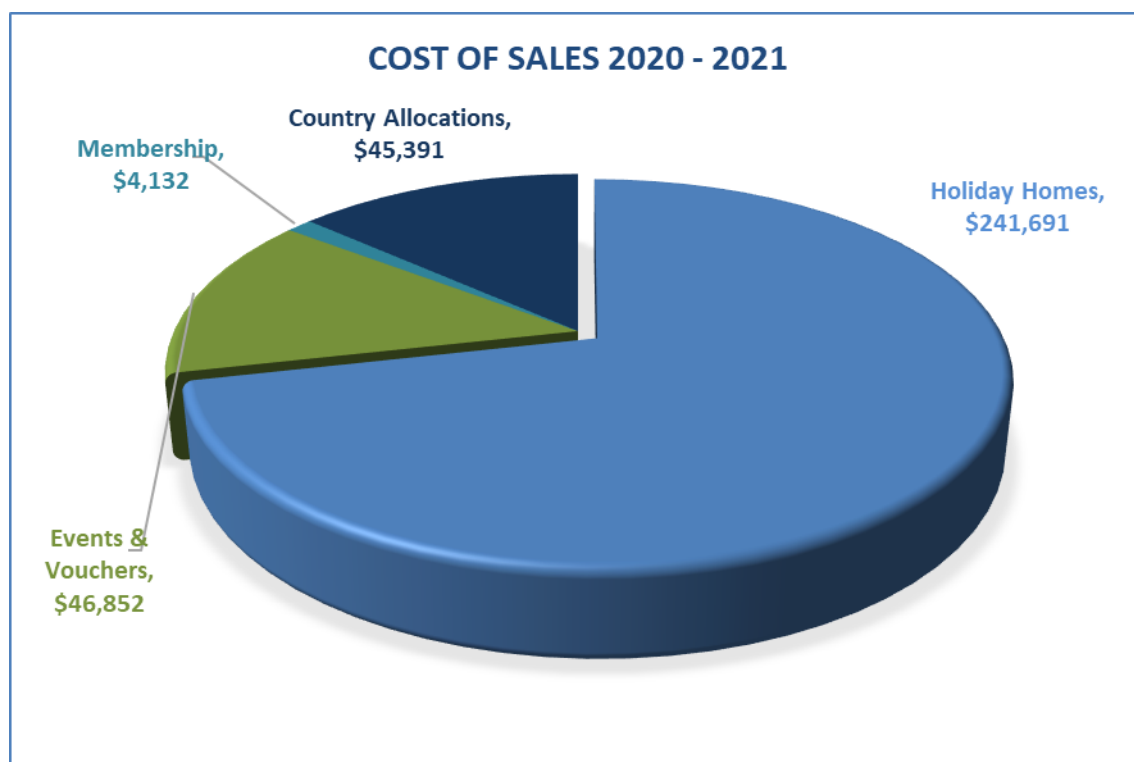
2021 & 2020 Comparative Balance Sheet

| | CASH BASIS | | ACCRUAL BASIS | | REPORTED |
|--|------------------|------------------|------------------|------------------|--------------------|
| | 2020/21 | 2019/20 | 2020/21 | 2019/20 | 2020/21 |
| GENERAL RESERVE | 6,475,145 | 6,724,467 | 6,475,145 | 6,724,467 | \$6,475,145 |
| CURRENT ASSETS | | | | | |
| Cash - Operating Accounts | 335,367 | 321,302 | 335,367 | 321,302 | \$335,367 |
| Cash - Fixed Term | 456,120 | 450,000 | 456,120 | 450,000 | \$456,120 |
| Prepayments | 6,623 | 1,000 | 6,623 | 1,000 | \$6,623 |
| Petty Cash - Holiday Homes | 61 | 198 | 61 | 198 | \$61 |
| Electronic Clearing Account | 0 | -35 | | -35 | |
| Stock | 860 | 43 | 860 | 43 | \$860 |
| Accrued Income | 2,066 | | 2,066 | | \$2,066 |
| Trade Debtors | -2,280 | -8,449 | -2,280 | -8,449 | (\$2,280) |
| TOTAL CURRENT ASSETS | 798,817 | 764,059 | 798,817 | 764,059 | \$798,817 |
| FIXED ASSETS | | | | | |
| Assets at Cost | \$6,336,922 | 6,428,384 | \$6,336,922 | 6,428,384 | \$6,336,922 |
| LESS Accumulated Deprec | -408,066 | -343,653 | -408,066 | -343,653 | (\$408,066) |
| NON CURRENT ASSETS | 5,928,856 | 6,084,731 | 5,928,856 | 6,084,731 | \$5,928,856 |
| TOTAL ASSETS | 6,727,673 | 6,848,826 | 6,727,673 | 6,848,790 | \$6,727,673 |
| CURRENT LIABILITIES | | | | | |
| Trade Creditors | 11,764 | 106,722 | 11,764 | 106,722 | \$11,764 |
| Accrued Expenses | 0 | 0 | 0 | 0 | \$0 |
| Membership Revenue Collected in Advance | 0 | 0 | 22,575 | 29,055 | \$22,575 |
| Accommodation Revenue Collected in Advance | 0 | 0 | 170,030 | 118,873 | \$170,030 |
| Clean Revenue Collected in Advance | 0 | 0 | 9,740 | 6,526 | \$9,740 |
| Credit Card | -919 | -87 | -919 | -87 | (\$919) |
| GST Collected | 8,487 | 6,731 | 8,487 | 6,731 | \$8,487 |
| GST Paid | -3,301 | -5,442 | -3,301 | -5,442 | (\$3,301) |
| ATO Integrated Client Account | 0 | -2,906 | 0 | -2,906 | \$0 |
| TOTAL CURRENT LIABILITIES | 16,031 | 105,018 | 218,376 | 259,472 | 218,376 |
| PAYROLL LIABILITIES | | | | | |
| PAYG | 5,552 | 3,580 | 5,552 | 3,580 | \$5,552 |
| Superannuation | 2,483 | 0 | 2,483 | 0 | \$2,483 |
| Employment Leave | 26,117 | 15,726 | 26,117 | 15,726 | \$26,117 |
| TOTAL PAYROLL LIABILITIES | 34,152 | 19,306 | 34,152 | 19,306 | \$34,152 |
| TOTAL LIABILITIES | 50,182 | 124,324 | 252,528 | 278,778 | \$252,527 |
| NET ASSETS | 6,677,490 | 6,724,502 | 6,475,145 | 6,570,012 | 6,475,145 |
| EQUITY | | | | | |
| Asset Revaluation Reserve | 3,564,664 | 4,025,445 | 3,564,664 | 4,025,445 | \$3,564,664 |
| Retained Reserves Pas Yrs | 2,701,425 | 2,792,402 | 2,701,425 | 2,792,402 | \$2,701,425 |
| Current Year Reserves | 211,459 | -90,977 | 211,459 | -90,977 | \$211,459 |
| Historical Balancing Account | -2,402 | -2,402 | -2,402 | -2,402 | (\$2,402) |
| TOTAL EQUITY | 6,475,145 | 6,724,467 | 6,475,145 | 6,724,467 | 6,475,145 |

REVENUE 2020 – 2021



COST OF SALES 2020 – 2021

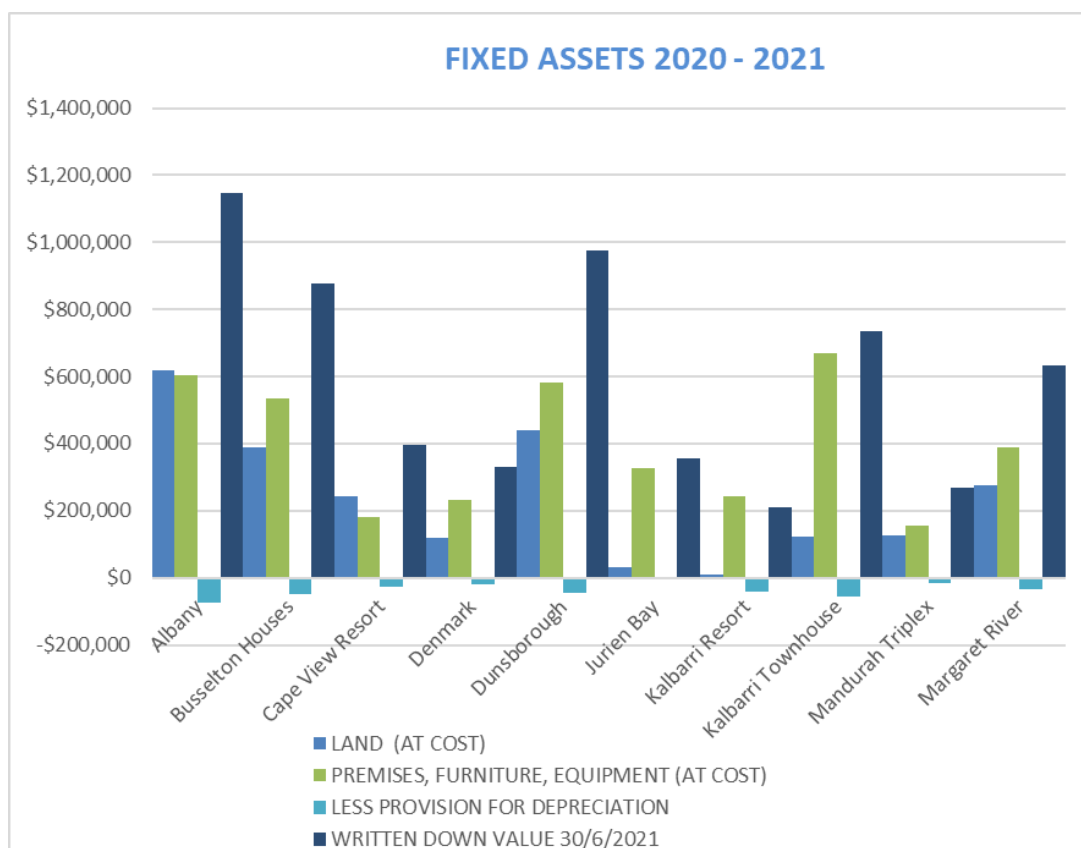


Please Note: *Holiday Home & Membership revenue are shown on an accrual basis.*

Fixed Assets 2020 | 2021

| LOCATION | LAND (AT COST) | PREMISES, FURNITURE, EQUIPMENT (AT COST) | LESS PROVISION FOR DEPRECIATION | WRITTEN DOWN VALUE 30/6/21 |
|--------------------------------|--------------------|---|--|----------------------------------|
| Albany | \$620,000 | \$602,421 | -\$74,090 | \$1,148,332 |
| Busselton | \$390,000 | \$533,015 | -\$47,001 | \$876,014 |
| Cape View Resort | \$243,000 | \$179,364 | -\$28,040 | \$394,325 |
| Denmark | \$118,000 | \$231,360 | -\$20,460 | \$328,900 |
| Dunsborough | \$440,000 | \$582,787 | -\$46,318 | \$978,468 |
| Jurien Bay* | \$30,420 | \$326,959 | \$0 | \$357,379 |
| Kalbarri Resort | \$8,463 | \$242,169 | -\$39,809 | \$210,823 |
| Kalbarri Townhouse | \$121,000 | \$669,611 | -\$54,036 | \$736,575 |
| Mandurah | \$126,667 | \$156,535 | -\$14,611 | \$268,591 |
| Margaret River | \$275,000 | \$389,783 | -\$33,333 | \$631,450 |
| Office Equipment - Software | | \$50,368 | -\$50,368 | \$0 |
| TOTAL | \$2,372,550 | \$3,964,372 | -\$408,066 | \$5,928,856 |

*Depreciation for Jurien Bay will start on September 4, 2021 – the first use of the property.



REVIEWERS REPORT FOR FINANCIAL YEAR 2020-2021

Jamie Wallis – Accounting Tax & Credit Team Leader, Western Power

Review report - Energy West Social Club June 2021

Background

Review services engaged for the financial year ended 30 June 2021. Purpose of the review is to assess Energy West Social Club's financial reports for compliance with Australian Accounting Standards, including assessment in regards with the following:

- Internal controls and processes
- Obligation to keep and maintain financial records
- Contraventions of any applicable code of professional conduct

This report is prepared in accordance with the requirements of the Associations Incorporation Act 2015, Part 5 Divisions 3,5,6 and 7; and is subject to the Energy West Social Club management committee's annual declaration.

Assumptions

Prior year' financial reports are accurate and are used as the baseline to form this review.

Committee's responsibility for the financial report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Associations Incorporation Act 2015. The committee determines that the internal control 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.

Procedures

This review includes the following validation:

- a) Closing balances (30 June 2021) of all bank accounts to bank statements
- b) Credit card closing balance to credit card statements
- c) Opening (1 July 2020) and closing balances (30 June 2021) of all fixed assets to asset register and trial balance
- d) Closing balances of trade receivables, payables and prepayments
- e) GST and PAYG balances to activity statements
- f) Employee leave entitlement balance to employee leave register

In addition to the above validation, the following were also sighted:

1. Depreciation schedules, general ledger and trial balances
2. Independent valuations of land and buildings
3. Bank statements post year end
4. Budget/forecast for the year
5. Management accounts for July 2021

Observations

1. Accounting records and books of entry are maintained to a high standard.
2. There has been no change in the internal controls from the prior years with regards to the operation of bank accounts, processing of payables and operations:
 - a. Segregation of duties - invoices are entered by one employee, whilst supplier bank details are checked, and payments verified by another party

- b. Financial authorization
 - i. Payments >\$1,000 are approved by the treasurer excluding wages and caretaker payments
 - ii. Wages and caretaker payments are approved by General Manager
 - iii. Supplier payments <\$1,000 are approved by General Manager
 - c. Financial Management- monthly profit and loss management reports are prepared and reviewed internally
 - d. Regular spot checks are conducted on holidays homes including stock take of inventory at locations.
3. Apart from a new property purchased in the current financial year, fair value basis has been applied to all non-current assets with independent valuations completed in July 2019. As non-current assets don't fluctuate in value frequently, the board has agreed that revaluations will occur every five years.
 4. Two properties were sold during the current financial year. Despite the gain on sale of the properties, no tax liability has been provided as management is of the view that there are sufficient tax losses available to offset against any taxable capital gains. This has not been substantiated.
 5. Energy West Social Club changed their revenue recognition policy from 1 July 2020 to account for revenue on an accruals basis (previously accounted for on a cash basis). This resulted in decrease in revenue reported for the 30 June 2021 financial year, with an increase in Revenue Received in Advance (liability on the Balance Sheet of \$202k). There has been no retrospective adjustment for comparatives because of this change, but the impact on revenue has been disclosed in the notes to the financial statements
 6. On May 18, 2021, a number of PINDAN entities appointed Ernst Young representatives as Liquidators. At the time, PINDAN were owners of some Capeview Resort Common Property (Caretakers Cottage, Pools, Gym, Games Room, Reception Area), with this property now being treated by Ernst Young as PINDAN assets for sale. The Capeview Strata Joint Council of Owners is investigating the possibility of the purchase of this Common Property. If successful in this purchase the Capeview Strata may impose pro-rata levies, based on Unit Allocations, on unit owners to recover the purchase cost, or part thereof. The likelihood and value of this potential liability is unknown, and is therefore not shown on the Balance Sheet.

Report on the financial report

A review of the financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Based on my review, which is not an audit, with the exception of restating prior year financials (2019/20) to reflect the change in revenue recognition policy to an accrual basis, refer observation

5. I have not become aware of any matter that makes me believe that the financial report of the association is not in accordance with the Associations Incorporation Act 2015 including:

- a) giving a true and fair view of the entity's financial position as at 30 June 2021 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards.

Prepared by:

Jamie Wallis

Jamie Wallis

22 September 2021

CONTACT INFORMATION

Energy West Social Club
363 WELLINGTON STREET PERTH
08 9326 4076

Energy West Social Club
feedback@energywest.com.au

General Manager
manager@energywest.com.au

President
ewsc.president@energywest.com.au

Vice President
ewsc.vicepresident@energywest.com.au

Board Secretary
ewsc.secretary@energywest.com.au

Treasurer
ewsc.treasurer@energywest.com.au