

# **Lake Cathie Bowling and Recreation Club Limited**

**ABN: 65 000 995 595**

## **Financial Report**

**For the Year Ended 31 May 2024**

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Financial Statements

For the Year Ended 31 May 2024

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# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Directors' Report

Your Directors present their report on the Company for the financial year ended 31 May 2024.

### Directors

The names of the Directors in office at any time during, or since the end of, the financial year are:

Michael RYAN	Appointed 17 September 2023
Ingo MODEL	Appointed 17 September 2023
Warren HENDERSON	Appointed 17 September 2023
Stephen WEBSTER	Appointed 17 September 2023
Ross THOMPSON	Appointed 17 September 2023
Peter WILLIAMS	Appointed 17 September 2023, Resigned 8 April 2024
Steven ANDERSON	Appointed 17 September 2023, Resigned 18 March 2024
Eunice ROBERTS	Resigned 17 September 2023
Edward JOBSON	Resigned 17 September 2023
Brian PEARCE	Resigned 17 September 2023
Robert YOUNG	Resigned 17 September 2023
Chrystine BOUFFLER	Resigned 17 September 2023

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

### Short-Term Objectives

The short-term objectives of the Company are to:

- Service all debts as and when they fall due.
- Provide benefits to members in a financially viable manner.
- Operate bar, gaming and catering operations for the benefit of our members and their guests.
- Service the needs of our affiliated sub clubs of lawn bowls, fishing and golf.
- Provide entertainment for the benefit of our members and their guests.
- Utilise funds derived from the Club's operations for the support and development of our community.
- Provide a high standard of customer service when dealing with members and their guests.
- Ensure the Board is educated and informed appropriately in order to be able to provide the Club with the necessary guidance to achieve its objectives.

### Long-Term Objectives

The long-term objectives of the Company are to:

- Provide, maintain or change goods and services in order to continually meet the needs of our members and their guests.
- Create sustainable financial viability while maintaining our position as the focus of social and community activities.
- Provide and maintain Club facilities at a high level to meet the needs of members and their guests.
- Purchase additional property as it becomes available for the growth of the Club in the future.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Directors' Report

### Strategies Adopted for Achieving Objectives

To achieve the objectives of the Company the following strategies have been adopted:

#### *Planning*

- The Club's business plan is reviewed by the Board on an annual basis to ensure that the strategies implemented to meet the Club's objectives are appropriate.
- The Club has developed a growth plan which details renovations to be completed over a period of at least 5 years.

#### *Marketing*

- The Club researches the community through surveys to assist in satisfying their needs and wants. Through this research the Club aims to improve its food, beverage, gaming and bowls activities for its members and their guests.
- The Club trains and monitors staff with a view to providing acceptable experiences for its members and their guests.

### Principal Activities

The principal activity of the Company during the financial year was the conduct of a Licensed Bowling and Recreation Club.

No significant change in the nature of this principal activity occurred during the financial year.

### Means by which Principal Activities Assisted in Achieving the Company's Objectives

The income and cash flows generated from the Company's principal activities were utilised in achieving the Company's objectives.

### Key Performance Measures

The Company measures and monitors performance by comparing actual results to past performance. The Company reviews key performance indicators such as gross profit margins, net returns from trading and poker machine returns.

### Members' Guarantee

Lake Cathie Bowling and Recreation Club Limited is incorporated under the *Corporations 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 \$5 towards meeting any outstanding obligations of the Company. At 31 May 2024 the collective liability of members was \$7,915 (2023: \$4,815).

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Directors' Report

### Significant Changes in State of Affairs

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

### Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* has been received and is included in this financial report.

### Core and Non-Core Property

Core property is defined as any real property owned by the Club that comprises the defined premises of the Club or any facility provided by the Club for the use of its members and their guests. Core property of the Club consists of land occupied by the Clubhouse and bowling greens at 45 Evans Street and the carpark at 56 Evans Street, Lake Cathie, New South Wales.

Non-core property of the Club means any real property owned by the Club that is not core property. The Club does not currently hold any non-core property.

### Meetings of Directors

During the financial year 13 meetings of Directors were held. Attendances by each Director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Michael RYAN	9
Ingo MODEL	8
Warren HENDERSON	8
Stephen WEBSTER	7
Ross THOMPSON	10
Peter WILLIAMS	8
Steven ANDERSON	4
Eunice ROBERTS	3
Edward JOBSON	3
Brian PEARCE	3
Robert YOUNG	3
Chrystine BOUFFLER	3

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Directors' Report

### Information on Current Directors

#### Michael RYAN

Qualifications and Experience Director of Lake Cathie Bowling and Recreation Club for 1 year.

Special Responsibilities Chairperson

#### Warren HENDERSON

Qualifications and Experience Director of Lake Cathie Bowling and Recreation Club for 1 year.

Special Responsibilities Deputy Chairperson

#### Ingo MODEL

Qualifications and Experience Director of Lake Cathie Bowling and Recreation Club for 1 year.


#### Stephen WEBSTER

Qualifications and Experience Director of Lake Cathie Bowling and Recreation Club for 1 year.

#### Ross THOMPSON

Qualifications and Experience Director of Lake Cathie Bowling and Recreation Club for 1 year.

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

  
.....  
**Michael RYAN**  
Chairperson

Dated this 29th day of July 2024

**PARTNERS**

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

## **Auditor's Independence Declaration**

**Under Section 307C of the *Corporations Act 2001***

**To the Directors of Lake Cathie Bowling and Recreation Club Limited**

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I declare that, to the best of my knowledge and belief, during the year ended 31 May 2024 there have been no contraventions of:

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

**NorthCorp Accountants**



**Alaine Ylias**  
**Registered Company Auditor**

**10-12 Short Street**  
**Port Macquarie NSW 2444**

**Dated: 29 July 2024**

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Comprehensive Income

For the Year Ended 31 May 2024

	Note	2024 \$	2023 \$
Revenue	2	1,892,653	1,975,885
Other income	2(c)	72,339	-
		<u>1,964,992</u>	<u>1,975,885</u>
Advertising and promotion		(165,247)	(39,066)
Amalgamation costs		(310)	(16,386)
Auditor remuneration		(25,500)	(25,500)
Cleaning costs		(63,792)	(60,790)
Changes in inventories	3	500	6,021
Consultancy fees		(15,282)	(40,184)
Inventories purchased	3	(356,408)	(418,519)
Depreciation and amortisation expense	3	(125,770)	(111,279)
Electricity and gas		(68,239)	(62,708)
Employee benefits expense		(711,579)	(704,586)
Entertainment		(68,268)	(43,785)
Finance costs	3	(7,279)	(5,376)
Insurance		(99,202)	(76,982)
Net loss on disposal of property, plant and equipment	3	-	(3,204)
Printing, postage and stationery		(16,653)	(17,418)
Poker machine supplementary tax		9,010	(9,010)
Raffle and bingo expenses		(33,648)	(80,667)
Rates and taxes		(17,329)	(15,216)
Repairs and maintenance		(164,021)	(193,169)
Subscriptions and licenses		(64,194)	(60,223)
Waste disposal		(13,597)	(19,807)
Other expenses		(63,105)	(109,628)
		<u>(2,069,913)</u>	<u>(2,107,482)</u>
<b>Profit / (loss) before income tax</b>		<b>(104,921)</b>	<b>(131,597)</b>
Income tax expense	1(b)	-	-
<b>Profit / (loss) for the year</b>		<b>(104,921)</b>	<b>(131,597)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(104,921)</b>	<b>(131,597)</b>
Profit / (loss) attributable to members of the Company		<u>(104,921)</u>	<u>(131,597)</u>
Total comprehensive income attributable to members of the Company		<u>(104,921)</u>	<u>(131,597)</u>



# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Financial Position

As at 31 May 2024

	Note	2024 \$	2023 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	303,867	478,882
Trade and other receivables	5	30,171	3,140
Inventories	6	20,678	20,178
Financial assets	7	5,000	5,000
Other assets	8	10,265	8,269
<b>Total current assets</b>		<b>369,981</b>	<b>515,469</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	770,942	483,322
Intangible assets	10	185,095	185,095
<b>Total non-current assets</b>		<b>956,037</b>	<b>668,417</b>
<b>TOTAL ASSETS</b>		<b>1,326,018</b>	<b>1,183,886</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	92,214	65,825
Borrowings	12	73,102	-
Provisions	13	86,607	62,719
Other liabilities	14	30,795	25,207
<b>Total current liabilities</b>		<b>282,718</b>	<b>153,751</b>
<b>Non-current liabilities</b>			
Borrowings	12	118,086	-
<b>Total non-current liabilities</b>		<b>118,086</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>400,804</b>	<b>153,751</b>
<b>NET ASSETS</b>		<b>925,214</b>	<b>1,030,135</b>
<b>EQUITY</b>			
Retained earnings		925,214	1,030,135
<b>TOTAL EQUITY</b>		<b>925,214</b>	<b>1,030,135</b>

# Lake Cathie Bowling and Recreation Club Limited

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## Statement of Changes in Equity

For the Year Ended 31 May 2024

2024

	<b>Retained Earnings</b>	<b>Total</b>
	\$	\$
<b>Balance at 1 June 2023</b>	<b>1,030,135</b>	<b>1,030,135</b>
Profit / (loss) attributable to members of the Company	<b>(104,921)</b>	<b>(104,921)</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(104,921)</b>	<b>(104,921)</b>
<b>Balance at 31 May 2024</b>	<b>925,214</b>	<b>925,214</b>

2023

	<b>Retained Earnings</b>	<b>Total</b>
	\$	\$
<b>Balance at 1 June 2022</b>	1,161,732	1,161,732
Profit / (loss) attributable to members of the Company	(131,597)	(131,597)
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(131,597)</b>	<b>(131,597)</b>
<b>Balance at 31 May 2023</b>	<b>1,030,135</b>	<b>1,030,135</b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Cash Flows

For the Year Ended 31 May 2024

	Note	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		1,985,316	2,184,230
Payments to suppliers and employees		(2,065,495)	(2,197,429)
Interest received		4,286	3,926
Grants received		58,020	-
Interest paid		(7,279)	(5,376)
<b>Net cash provided by (used in) operating activities</b>		<b>(25,152)</b>	<b>(14,649)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		78,236	182
Acquisition of property, plant and equipment		(419,287)	(34,309)
Redemption of investments		-	205,876
<b>Net cash provided by (used in) investing activities</b>		<b>(341,051)</b>	<b>171,749</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		269,914	-
Repayment of borrowings		(78,726)	-
<b>Net cash provided by (used in) financing activities</b>		<b>191,188</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<b>(175,015)</b>	<b>157,100</b>
Cash and cash equivalents at beginning of financial year		478,882	321,782
<b>Cash and cash equivalents at end of financial year</b>	4	<b>303,867</b>	<b>478,882</b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

The financial statements are for Lake Cathie Bowling and Recreation Club Limited (the Company) as an individual entity, incorporated and domiciled in Australia. Lake Cathie Bowling and Recreation Club Limited is a Company limited by guarantee.

### Note 1 Material Accounting Policy Information

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless stated otherwise.

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

The financial statements were authorised for issue on 29 July 2024 by the Board of Directors.

#### Accounting Policies

##### (a) Going Concern

Operating losses over the last 5 years, including a loss of \$104,921 for the year ended 31 May 2024 (2023: loss of \$131,597), have had a significant impact on the financial position of the Company.

Notwithstanding the Company's operating losses over several years, the financial statements have been prepared on the going concern basis.

In assessing the appropriateness of the use of the going concern assumption in the preparation of the financial report, the Directors and management have taken into account the following matters:

- Restructuring the Bowls Coordinator Role to part-time capacity.
- Review of the insurance policies has provided a reduction of \$20,000 in premiums for the upcoming 24/25 financial year.
- Ongoing review and implementation of cost reduction strategies, ensuring maximum efficiency from every supplier to the business.

The Board and management continually evaluate the Company's ability to service debt from projected cash flows over the next 12 months. Strategies to increase revenue include:

- Purchasing program for gaming machines.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

**(a) Going Concern (Continued)**

- Increasing number of bowling members.
- Promotions and events within the Club, focusing on the Club's function room.
- Increase green fees by 30% and beverage prices to apply a more appropriate GP%.

The Board have agreed that now is the opportune time to reach out to like-minded venues for a suitable amalgamation partner to ensure the long-term viability of Club Lake Cathie. During this process the Board are also committed to obtaining a masterplan for the Club and to apply for suitable grant opportunities for refurbishment of the Club.

The Directors and management consider that it is appropriate to use the going concern assumption in the preparation of the financial statements. However, should the plans to improve trading performance be unsuccessful there is material uncertainty as to whether the Company will continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

**(b) Income Tax**

The Company has been granted an exemption from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*. The exempt status of the Company applies indefinitely or until such time as a change in circumstances warrants a review of the exempt status.

**(c) Inventories**

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

**(d) Property, Plant and Equipment**

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

***Property***

Freehold land and buildings are measured on the cost basis less, where applicable, accumulated impairment losses and accumulated depreciation for buildings.

***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.

# Lake Cathie Bowling and Recreation Club Limited

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## Notes to the Financial Statements

For the Year Ended 31 May 2024

### (d) Property, Plant and Equipment (Continued)

#### *Depreciation*

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

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

<b>Class of Fixed Asset</b>	<b>Depreciation Rates</b>
Buildings and improvements	5 - 50%
Plant and equipment	10 - 50%

### (e) Financial Instruments

#### **Classification and Subsequent Measurement**

##### *Financial liabilities*

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### *Financial assets*

Financial assets are subsequently measured at amortised cost.

Financial assets comprising cash and cash equivalents, trade and other receivables and interest bearing deposits are subsequently measured at amortised cost as they meet the following conditions:

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

### (f) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying values 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 to sell and value in use, is compared to the asset's carrying amount.

Impairment testing is performed annually for intangible assets with indefinite useful lives.

### (g) Intangibles

#### *Poker Machine Licences*

Poker machine licences are recognised at cost of acquisition. Poker machine licences are tested annually for impairment and carried at cost less accumulated impairment losses.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

**(h) Leases**

**Exceptions to lease accounting**

All contracts that are classified as short-term leases and leases of low value assets are recognised as operating expense on a straight-line basis over the term of the lease. The Company has determined that a low value will be assets of \$10,000 or less.

**(i) Revenue Recognition**

Revenue is recognised when control of the goods and services has transferred to the customers. For such transactions, this is the point in time when the goods are delivered to the customers or the services are received by customers.

**(j) Critical Accounting Estimates and Judgements**

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

***Key estimates - Impairment***

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised in respect of assets at the end of the reporting period.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 2 Revenue and Other Income

The Company has recognised the following amounts relating to revenue in the statement of comprehensive income:

#### Continued operations

		2024	2023
	Note	\$	\$
Sale of goods	2(a)	857,449	861,367
Other sources of revenue	2(b)	1,035,204	1,114,518
		<u>1,892,653</u>	<u>1,975,885</u>

#### (a) Revenue Disaggregation

The revenue is disaggregated along the following product lines

- Bar sales		857,449	755,388
- Bistro sales		-	105,979
		<u>857,449</u>	<u>861,367</u>

#### Timing of revenue recognition

Goods and services transferred to customers:

- at a point in time		<u>857,449</u>	<u>861,367</u>
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#### (b) Other Sources of Revenue

- Bingo and raffles		46,141	77,953
- Commission received		46,978	50,276
- Green fees		98,114	78,213
- Government funding - Department of Regional NSW		58,020	-
- Insurance recoveries		-	36,500
- Interest received		4,286	3,926
- Membership subscriptions		5,807	7,816
- Poker machine clearances		617,491	807,230
- Poker machine GST rebate		17,180	17,180
- Rent received		11,115	1,200
- Rebates		63,122	-
- Other revenue		66,950	34,224
		<u>1,035,204</u>	<u>1,114,518</u>

#### Total Other Revenue



# Lake Cathie Bowling and Recreation Club Limited

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## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 2 Revenue and Other Income (Continued)

(c) Other income

	2024	2023
	\$	\$
- Gain on disposal of non-current assets	72,339	-
<b>Total Other Income</b>	<b>72,339</b>	<b>-</b>
<b>Total Revenue</b>	<b>1,964,992</b>	<b>1,975,885</b>

### Note 3 Profit / (Loss) for the Year

(a) Expenses

**Depreciation and amortisation**

Buildings	35,897	35,899
Plant and machinery	89,873	75,380
<b>Total depreciation and amortisation</b>	<b>125,770</b>	<b>111,279</b>

**Net loss on disposal of property, plant and equipment**

-	3,204
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**Finance costs**

Interest expense	7,279	5,376
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**Cost of goods sold**

Bar sales	355,908	346,207
Bistro sales	-	66,291
<b>Total</b>	<b>355,908</b>	<b>412,498</b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 4 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash on hand	52,300	52,600
Cash at bank	251,567	426,282
	<u>303,867</u>	<u>478,882</u>

### Note 5 Trade and Other Receivables

#### Current

Trade and other receivables	<u>30,171</u>	<u>3,140</u>
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### Note 6 Inventories

#### Current

#### Finished goods - at cost

Bar stock	<u>20,678</u>	<u>20,178</u>
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### Note 7 Financial Assets

#### Current

#### Financial Assets at Amortised Cost

Interest bearing deposits	<u>5,000</u>	<u>5,000</u>
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### Note 8 Other Assets

#### Current

Prepayments	<u>10,265</u>	<u>8,269</u>
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# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 9 Property Plant and Equipment

	2024	2023
	\$	\$
<b>Land and Buildings</b>		
<b>Freehold Land</b>		
Land at cost	<u>86,944</u>	<u>86,944</u>
<b>Buildings</b>		
Buildings at cost	1,842,179	1,842,179
Less: accumulated depreciation	<u>(1,710,274)</u>	<u>(1,674,377)</u>
<b>Total buildings</b>	<u>131,905</u>	<u>167,802</u>
<b>Total land and buildings</b>	<u>218,849</u>	<u>254,746</u>
<b>Plant and Equipment</b>		
Plant and equipment at cost	2,011,170	1,902,117
Less: accumulated depreciation	<u>(1,459,077)</u>	<u>(1,673,541)</u>
<b>Total plant and equipment</b>	<u>552,093</u>	<u>228,576</u>
<b>Motor Vehicles</b>		
Motor vehicles at cost	38,010	38,010
Less: accumulated depreciation	<u>(38,010)</u>	<u>(38,010)</u>
<b>Total motor vehicles</b>	<u>-</u>	<u>-</u>
<b>Total property, plant and equipment</b>	<u><u>770,942</u></u>	<u><u>483,322</u></u>

#### (a) Movements in Carrying Amounts

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

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
<b>2024</b>				
Balance at the beginning of year	86,944	167,802	228,576	483,322
Additions	-	-	419,287	419,287
Disposals - written down value	-	-	(5,897)	(5,897)
Depreciation expense	-	(35,897)	(89,873)	(125,770)
Balance at 31 May 2024	<u><u>86,944</u></u>	<u><u>131,905</u></u>	<u><u>552,093</u></u>	<u><u>770,942</u></u>

# Lake Cathie Bowling and Recreation Club Limited

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## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 10 Intangible Assets

	2024	2023
	\$	\$
<b>Software</b>		
Software at cost	-	8,200
Accumulated amortisation	-	(8,200)
Net carrying value	-	-
<b>Poker Machine Licences</b>		
Poker machine licences at cost	185,095	185,095
Accumulated impairment losses	-	-
Net carrying value	185,095	185,095
<b>Total Intangibles</b>	<b>185,095</b>	<b>185,095</b>

#### (a) Movements in Carrying Amounts

	Poker machine licences	Total
	\$	\$
Opening balance	185,095	185,095
Additions	-	-
Disposals	-	-
<b>Balance at 31 May 2024</b>	<b>185,095</b>	<b>185,095</b>

Poker machine licences have been determined to have indefinite useful lives as the licences have not been cancelled by legislation and the Company has no intention to sell poker machine licences.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 11 Trade and Other Payables

	2024	2023
	\$	\$
<b>Current</b>		
<b>Unsecured liabilities</b>		
Trade payables	65,300	42,656
Accrued expenses	17,000	17,000
Other payables	9,914	6,169
	<u>92,214</u>	<u>65,825</u>

### Note 12 Borrowings

#### Current

##### Secured liabilities

Other loans	12(b) <u>73,102</u>	<u>-</u>
<b>Total current borrowings</b>	<u>73,102</u>	<u>-</u>

#### Non-current

##### Secured liabilities

Other loans	12(b) <u>118,086</u>	<u>-</u>
<b>Total non-current borrowings</b>	<u>118,086</u>	<u>-</u>

<b>Total Borrowings</b>	<u>191,188</u>	<u>-</u>
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#### (a) Bank overdrafts

The Club maintains bank overdraft facilities totalling \$50,000 with its banker. The facilities were unutilised as at 31 May 2024. The bank overdrafts are secured by a first mortgage over freehold properties owned by the Club.

#### (b) Other loans

Other loans consists of finance contracts for the purchase of poker machines. The borrowings are secured by the underlying assets acquired. The contracts for the facilities typically last between 1 and 3 years.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 13 Provisions

	2024	2023
	\$	\$
<b>Analysis of Total Provisions</b>		
<b>Employee benefits</b>		
Current	86,607	62,719
Non-current	-	-
	<u>86,607</u>	<u>62,719</u>
	<b>Employee Benefits</b>	<b>Total</b>
	\$	\$
Opening balance at 1 June 2023	62,719	62,719
Additional provisions	42,750	42,750
Provisions utilised	(18,862)	(18,862)
<b>Balance at 31 May 2024</b>	<u>86,607</u>	<u>86,607</u>

#### Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for wages, annual leave and long service leave.

The current portion for this provision includes the total amount accrued for wages and annual leave entitlements, and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

These amounts are classified as current liabilities since the Company does not have an unconditional right to defer settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of the provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 14 Other Liabilities

#### Current

	2024	2023
	\$	\$
Income received in advance	<u>30,795</u>	<u>25,207</u>

### Note 15 Capital and Leasing Commitments

#### (a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

- Poker machines	-	67,478
- Outdoor signage	-	20,853
	<u>-</u>	<u>88,331</u>
Payable:		
- not later than 12 months	-	88,331
	<u>-</u>	<u>88,331</u>

### Note 16 Contingent Liabilities

#### Bank Guarantee

TAB Limited	<u>5,000</u>	<u>5,000</u>
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The Company has a banker's guarantee in favour of TAB Limited for \$5,000. The guarantee is secured by mortgage over the Company's premises. The guarantee is only payable in the event of economic loss to the TAB caused by the Company's staff. To date there has been no event or events that would require the guarantee to be called upon.

### Note 17 Members' Guarantee

The Lake Cathie Bowling and Recreation Club Limited is a Company limited by guarantee with liability of members limited to the amount of \$5 as set out in the Company's constitution. The number of members at the end of the financial year was 1,583 (2023: 963).

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 18 Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The aggregate compensation of key management personnel during the year comprising amounts paid or payable or provided for was \$118,609 (2023: \$21,759).

### Note 19 Other Related Party Transactions

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

### Note 20 Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, cash on hand, accounts receivable and payable, and borrowings.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2024 \$	2023 \$
<b>Financial Assets</b>			
<b>Financial Assets at Amortised Cost:</b>			
Cash and cash equivalents	4	303,867	478,882
Trade and other receivables	5	30,171	3,140
Interest bearing deposits	7	5,000	5,000
<b>Total Financial Assets</b>		<b>339,038</b>	<b>487,022</b>
<b>Financial Liabilities</b>			
<b>Financial Liabilities at Amortised Cost:</b>			
Trade and other payables	11	92,214	65,825
Borrowings	12	191,188	-
<b>Total Financial Liabilities</b>		<b>283,402</b>	<b>65,825</b>

### Net Fair Values

The net fair values of financial assets and financial liabilities approximates their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.



# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2024

### Note 21 Auditors' Remuneration

	2024	2023
	\$	\$
<b>Remuneration of the auditor for:</b>		
- Auditing the financial statements	22,800	22,800
- Other non-assurance services	2,700	2,700
	<u>25,500</u>	<u>25,500</u>

### Note 22 Events after the end of the Reporting Period

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

### Note 23 Company Details

The registered office and principal place of business of the Company is:

Lake Cathie Bowling and Recreation Club Limited  
45 Evans Street  
Lake Cathie NSW 2445

# Lake Cathie Bowling and Recreation Club Limited

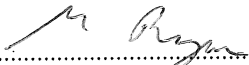
ABN: 65 000 995 595

## Directors' Declaration

In accordance with a resolution of the Directors of Lake Cathie Bowling and Recreation Club Limited, the Directors of the Company declare that:

1. The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, are in accordance with the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures; and
  - (b) give a true and fair view of the financial position of the Company as at 31 May 2024 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 .....



Michael RYAN

Dated: 29 July 2024

**PARTNERS**

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Lake Cathie Bowling and Recreation Club Limited**

**Opinion**

We have audited the financial report of Lake Cathie Bowling and Recreation Club Limited, which comprises the Statement of Financial Position as at 31 May 2024, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the Directors' Declaration.

In our opinion, the accompanying financial report of Lake Cathie Bowling and Recreation Club Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 May 2024 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Regulations 2001*.

**Basis for Opinion**

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material Uncertainty Related to Going Concern**

We draw attention to Note 1(a) in the financial report, which indicates that the Company incurred a loss of \$104,921 and negative operating cashflows of \$25,152 during the year ended 31 May 2024. As stated in Note 1(a), these events or conditions, along with other matters as set forth in Note 1(a), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**PARTNERS**

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**Independent Auditor's Report**  
**To the members of Lake Cathie Bowling and Recreation Club Limited**

**Responsibilities of Directors for the Financial Report**

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

**PARTNERS**

Paul Fahey B Bus CA

Bart Lawler B Com CA

Patrick Brennan B Com CA

Alison McKinnon B Bus CA

**Independent Auditor's Report**  
**To the members of Lake Cathie Bowling and Recreation Club Limited**

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**NorthCorp Accountants**

*A. Ylias*

**Alaine Ylias**

**Registered Company Auditor**

**10-12 Short Street**  
**Port Macquarie NSW 2444**

**Dated: 29 July 2024**