

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

**ABN: 65 000 995 595**

## **Financial Report**

**For the Year Ended 31 May 2023**

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Financial Statements

For the Year Ended 31 May 2023

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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 2023.

### Directors

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

Eunice ROBERTS

Edward JOBSON

Brian PEARCE

Robert YOUNG

Chrystine BOUFFLER

Appointed 8 October 2022

Richard PIERCE

Resigned 4 October 2022

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 profit 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 2023 the collective liability of members was \$4,815 (2022: \$6,575).

# 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 12 meetings of Directors were held. Attendances by each Director during the year were as follows:

Directors' Meetings	
Number eligible to attend	Number attended
Eunice ROBERTS	12
Edward JOBSON	9
Brian PEARCE	12
Robert YOUNG	11
Chrystine BOUFFLER (Appointed 8 October 2022)	6
Richard PIERCE (Resigned 4 October 2022)	2

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Directors' Report

### Information on Current Directors

#### Eunice ROBERTS

Qualifications and Experience

Director of Lake Cathie Bowling and Recreation Club for 6 years.  
President of Kew Women's Bowling Club for 2 Years  
Treasurer of Kew Women's Club for 3 years  
Secretary of Kew Women's Club for 5 years  
Director of Women's Bowls NSW for 3 years  
District Treasurer for 1 year  
Director of Governing Body of Camden Haven Golf Club for 3 years  
Graduate & Post Graduate Qualifications in Law, Accountancy,  
Business and Management

Special Responsibilities

Chairperson

#### Edward JOBSON

Qualifications and Experience

Director of Lake Cathie Bowling and Recreation Club for 3 years.  
Motor Mechanic & Welder  
Workshop Manager  
Transport Operations Manager

#### Brian PEARCE

Qualifications and Experience

Director of Lake Cathie Bowling and Recreation Club for 3 years.  
Electrical Contractor  
Office Manager

#### Robert YOUNG

Qualifications and Experience

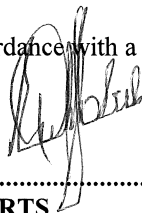
Director of Lake Cathie Bowling and Recreation Club for 2 years.

#### Chrystine BOUFFLER

Qualifications and Experience

Director of Lake Cathie Bowling and Recreation Club for 1 year.  
BA; DipEd (Sydney);  
DipAppLing (Edinburgh);  
EdD (Indiana);  
Club Coach

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



.....  
**Eunice ROBERTS**  
Chairperson

Dated this 25th day of July 2023

**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 2023 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: 25 July 2023**

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Comprehensive Income

For the Year Ended 31 May 2023

	Note	2023 \$	2022 \$
Revenue	2	<u>1,975,885</u>	<u>1,446,535</u>
Advertising and promotion		(39,066)	(16,018)
Amalgamation costs		(16,386)	(38,532)
Auditor remuneration		(25,500)	(23,860)
Cleaning costs		(60,790)	(52,805)
Changes in inventories	3	6,021	(6,756)
Consultancy fees		(40,184)	(36,225)
Inventories purchased	3	(418,519)	(205,826)
Depreciation and amortisation expense	3	(111,279)	(140,276)
Electricity and gas		(62,708)	(64,371)
Employee benefits expense		(704,586)	(407,031)
Entertainment		(43,785)	(38,764)
Finance costs	3	(5,376)	(4,523)
Insurance		(76,982)	(67,345)
Net loss on disposal of property, plant and equipment	3	(3,204)	(24,878)
Printing, postage and stationery		(17,418)	(14,439)
Poker machine supplementary tax		(9,010)	-
Raffle and bingo expenses		(80,667)	(75,410)
Rates and taxes		(15,216)	(15,026)
Repairs and maintenance		(193,169)	(144,834)
Subscriptions and licenses		(60,223)	(46,911)
Waste disposal		(19,807)	(9,046)
Other expenses		<u>(109,628)</u>	<u>(41,515)</u>
		<u>(2,107,482)</u>	<u>(1,474,391)</u>
<b>Profit / (loss) before income tax</b>		<b>(131,597)</b>	<b>(27,856)</b>
Income tax expense	1(a)	-	-
<b>Profit / (loss) for the year</b>		<u><b>(131,597)</b></u>	<u><b>(27,856)</b></u>
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive income for the year</b>		<u><b>(131,597)</b></u>	<u><b>(27,856)</b></u>
Profit / (loss) attributable to members of the Company		<u><b>(131,597)</b></u>	<u><b>(27,856)</b></u>
Total comprehensive income attributable to members of the Company		<u><b>(131,597)</b></u>	<u><b>(27,856)</b></u>



# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Financial Position

As at 31 May 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	478,882	321,782
Trade and other receivables	5	3,140	9,584
Inventories	6	20,178	14,974
Financial assets	7	5,000	210,876
Other assets	8	8,269	6,571
<b>Total current assets</b>		<b>515,469</b>	<b>563,787</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	483,322	563,678
Intangible assets	10	185,095	185,095
<b>Total non-current assets</b>		<b>668,417</b>	<b>748,773</b>
<b>TOTAL ASSETS</b>		<b>1,183,886</b>	<b>1,312,560</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	11	65,825	79,118
Provisions	12	62,719	45,660
Other liabilities	13	25,207	19,071
<b>Total current liabilities</b>		<b>153,751</b>	<b>143,849</b>
<b>Non-current liabilities</b>			
Provisions	12	-	6,979
<b>Total non-current liabilities</b>		<b>-</b>	<b>6,979</b>
<b>TOTAL LIABILITIES</b>		<b>153,751</b>	<b>150,828</b>
<b>NET ASSETS</b>		<b>1,030,135</b>	<b>1,161,732</b>
<b>EQUITY</b>			
Retained earnings		1,030,135	1,161,732
<b>TOTAL EQUITY</b>		<b>1,030,135</b>	<b>1,161,732</b>

# Lake Cathie Bowling and Recreation Club Limited

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## Statement of Changes in Equity

For the Year Ended 31 May 2023

2023

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

2022

	<b>Retained Earnings</b>	<b>Total</b>
	\$	\$
<b>Balance at 1 June 2021</b>	1,189,588	1,189,588
Profit / (loss) attributable to members of the Company	<u>(27,856)</u>	<u>(27,856)</u>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b><u>(27,856)</u></b>	<b><u>(27,856)</u></b>
<b>Balance at 31 May 2022</b>	<b><u>1,161,732</u></b>	<b><u>1,161,732</u></b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Statement of Cash Flows

For the Year Ended 31 May 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		2,184,230	1,581,530
Payments to suppliers and employees		(2,197,429)	(1,447,093)
Interest received		3,926	835
Interest paid		(5,376)	(4,523)
<b>Net cash provided by (used in) operating activities</b>		<b>(14,649)</b>	<b>130,749</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of property, plant and equipment		182	500
Acquisition of property, plant and equipment		(34,309)	(40,868)
Redemption of investments		205,876	-
Purchase of investments		-	(394)
<b>Net cash provided by (used in) investing activities</b>		<b>171,749</b>	<b>(40,762)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		-	350,000
Repayment of borrowings		-	(404,784)
<b>Net cash provided by (used in) financing activities</b>		<b>-</b>	<b>(54,784)</b>
<b>Net increase (decrease) in cash and cash equivalents held</b>		<b>157,100</b>	<b>35,203</b>
Cash and cash equivalents at beginning of financial year		321,782	286,579
<b>Cash and cash equivalents at end of financial year</b>	4	<b>478,882</b>	<b>321,782</b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

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 Summary of Significant Accounting Policies

#### 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 25 July 2023 by the Board of Directors.

#### Accounting Policies

##### (a) 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.

##### (b) Inventories

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

##### (c) 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 2023

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

In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. An assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(e) 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

#### *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%

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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.

### (d) Financial Instruments

#### **Initial Recognition and Measurement**

Financial assets and financial liabilities, are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset.

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.

Trade receivables are initially measured at the transaction price.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### (d) Financial Instruments (Continued)

#### Classification and Subsequent Measurement

##### *Financial liabilities*

Financial liabilities are subsequently measured at 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 financial 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.

##### *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.

#### 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 (ie 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 Company'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 the risks and rewards of ownership of the asset have been substantially transferred; and
- the Company no longer controls the asset.

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.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### (d) Financial Instruments (Continued)

#### Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost.

#### *Recognition of expected credit losses in financial statements*

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

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

### (e) 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. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

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

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

### (f) 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.

#### *Other Intangibles*

Other intangibles are recognised at cost of acquisition. Other intangibles are amortised over their useful life.

### (g) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

# Lake Cathie Bowling and Recreation Club Limited

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## Notes to the Financial Statements

For the Year Ended 31 May 2023

### (h) Provisions

Provisions are recognised when the Company 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 are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### (i) 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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

### (j) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold or services provided. 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.

Accounts receivable 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 1(d) for further discussion on the determination of impairment losses.

### (k) Trade and Other Payables

Trade and other payables are carried at amortised cost and represent the liability for goods and services received by the Company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### (l) Leases

At inception of a contract, the Company assesses whether 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 Company where the Company is a lessee. However, 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.



# Lake Cathie Bowling and Recreation Club Limited

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## Notes to the Financial Statements

For the Year Ended 31 May 2023

### (m) 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.

Interest revenue is recognised using the effective interest method.

Receivables are recognised when items are delivered or services received, as at this point consideration is unconditional since only time needs to pass before payment of that consideration is due.

All revenue is stated net of the amount of goods and services tax (GST).

### (n) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such a time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### (o) 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 in the statement of cash flows 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.

### (p) Comparative Figures

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

### (q) 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

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## Notes to the Financial Statements

For the Year Ended 31 May 2023

(r) **New and Amended Accounting Standards Adopted by the Company**

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

The entity has adopted AASB 1060: *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* for the first time this reporting period. The Standard, which sets out a new separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053: *Application of Tiers of Australian Accounting*, replaces the previous Reduced Disclosure Requirements (RDR) framework.

The application of this standard has resulted in reductions in disclosures compared to RDR in Revenue, Leases and Financial Instruments; however has resulted in new and/or increased disclosures in areas such as Audit Fees and Related Parties.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 2 Revenue and Other Income

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

#### Continued operations

		2023	2022
	Note	\$	\$
Sale of goods	2(a)	861,367	469,754
Other sources of revenue	2(b)	1,114,518	976,781
		<u>1,975,885</u>	<u>1,446,535</u>

#### (a) Revenue Disaggregation

The revenue is disaggregated along the following product lines

- Bar sales		755,388	469,754
- Bistro sales		105,979	-
		<u>861,367</u>	<u>469,754</u>

#### Timing of revenue recognition

Goods and services transferred to customers:

- at a point in time		<u>861,367</u>	<u>469,754</u>
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#### (b) Other Sources of Revenue

- Bingo and raffles		77,953	71,509
- Commission received		50,276	38,181
- Green fees		78,213	68,486
- Government subsidies - Grant NSW		-	10,500
- Government subsidies - NSW Jobsaver		-	23,866
- Insurance recoveries		36,500	-
- Interest received		3,926	835
- Membership subscriptions		7,816	13,458
- Poker machine GST rebate		17,180	17,180
- Poker machine takings		807,230	677,095
- Rent received		1,200	14,300
- Other revenue		34,224	41,371
<b>Total Other Revenue</b>		<u>1,114,518</u>	<u>976,781</u>

<b>Total Revenue</b>		<u>1,975,885</u>	<u>1,446,535</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 2023

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

#### (a) Expenses

	2023	2022
	\$	\$
<b>Depreciation and amortisation</b>		
Buildings	35,899	36,632
Plant and machinery	75,380	102,775
Software	-	869
<b>Total depreciation and amortisation</b>	<b>111,279</b>	<b>140,276</b>
<b>Net loss on disposal of property, plant and equipment</b>	<b>3,204</b>	<b>24,878</b>
<b>Finance costs</b>		
Interest expense	5,376	4,523
<b>Cost of goods sold</b>		
Bar sales	346,207	212,582
Bistro sales	66,291	-
	<b>412,498</b>	<b>212,582</b>

### Note 4 Cash and Cash Equivalents

Cash on hand	52,600	52,600
Cash at bank	426,282	269,182
	<b>478,882</b>	<b>321,782</b>

#### Reconciliation of Cash

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	<b>478,882</b>	<b>321,782</b>
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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 2023

### Note 5 Trade and Other Receivables

	2023	2022
	\$	\$
<b>Current</b>		
Trade and other receivables	<u>3,140</u>	<u>9,584</u>

### Note 6 Inventories

<b>Current</b>		
<b>Finished goods - at cost</b>		
Bar stock	<u>20,178</u>	<u>14,974</u>

### Note 7 Financial Assets

<b>Current</b>		
<b>Financial Assets at Amortised Cost</b>		
Interest bearing deposits	<u>5,000</u>	<u>210,876</u>

### Note 8 Other Assets

<b>Current</b>		
Prepayments	<u>8,269</u>	<u>6,571</u>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 9 Property Plant and Equipment

	2023	2022
	\$	\$
<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>(1,674,377)</u>	<u>(1,638,478)</u>
<b>Total buildings</b>	<u>167,802</u>	<u>203,701</u>
<b>Total land and buildings</b>	<u>254,746</u>	<u>290,645</u>
<b>Plant and Equipment</b>		
Plant and equipment at cost	1,902,117	1,877,534
Less: accumulated depreciation	<u>(1,673,541)</u>	<u>(1,604,501)</u>
<b>Total plant and equipment</b>	<u>228,576</u>	<u>273,033</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>483,322</u>	<u>563,678</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>2023</b>				
Balance at the beginning of year	86,944	203,701	273,033	563,678
Additions	-	-	34,309	34,309
Disposals - written down value	-	-	(3,386)	(3,386)
Depreciation expense	-	(35,899)	(75,380)	(111,279)
Balance at 31 May 2023	<u>86,944</u>	<u>167,802</u>	<u>228,576</u>	<u>483,322</u>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 10 Intangible Assets

	2023	2022
	\$	\$
<b>Software</b>		
Software at cost	8,200	8,200
Accumulated amortisation	(8,200)	(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

	Software	Poker machine	Total
	\$	licences	\$
	\$	\$	\$
Opening balance	-	185,095	185,095
Additions	-	-	-
Disposals	-	-	-
<b>Balance at 31 May 2023</b>	<b>-</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 2023

### Note 11 Trade and Other Payables

	2023	2022
	\$	\$
<b>Current</b>		
<b>Unsecured liabilities</b>		
Trade payables	42,656	42,087
Accrued expenses	17,000	15,400
Other payables	6,169	21,631
	<u>65,825</u>	<u>79,118</u>

### Note 12 Provisions

#### Analysis of Total Provisions

##### Employee benefits

Current	62,719	45,660
Non-current	-	6,979
	<u>62,719</u>	<u>52,639</u>

	Employee Benefits	Total
	\$	\$
Opening balance at 1 June 2022	52,639	52,639
Additional provisions	19,183	19,183
Provisions utilised	(9,103)	(9,103)
<b>Balance at 31 May 2023</b>	<u>62,719</u>	<u>62,719</u>



# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 12 Provisions (Continued)

#### 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.

### Note 13 Other Liabilities

#### Current

	2023	2022
	\$	\$
Income received in advance	<u>25,207</u>	<u>19,071</u>

### Note 14 Capital and Leasing Commitments

#### (a) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

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

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 15 Contingent Liabilities

#### Bank Guarantee

	2023	2022
	\$	\$
TAB Limited	<u>5,000</u>	<u>5,000</u>

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 16 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 963 (2022: 1,315).

### Note 17 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 \$21,759 (2022: \$Nil).

### Note 18 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.

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 19 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	2023 \$	2022 \$
<b>Financial Assets</b>			
<b>Financial Assets at Amortised Cost:</b>			
Cash and cash equivalents	4	478,882	321,782
Trade and other receivables	5	3,140	9,584
Interest bearing deposits	7	5,000	210,876
<b>Total Financial Assets</b>		<b>487,022</b>	<b>542,242</b>
<b>Financial Liabilities</b>			
<b>Financial Liabilities at Amortised Cost:</b>			
Trade and other payables	11	65,825	79,118
<b>Total Financial Liabilities</b>		<b>65,825</b>	<b>79,118</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.

### Note 20 Auditors' Remuneration

#### Remuneration of the auditor for:

- Auditing the financial statements	22,800	20,200
- Other non-assurance services	2,700	3,700
	<b>25,500</b>	<b>23,900</b>

# Lake Cathie Bowling and Recreation Club Limited

ABN: 65 000 995 595

## Notes to the Financial Statements

For the Year Ended 31 May 2023

### Note 21 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 22 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 2023 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 .....

  
Eunice ROBERTS

Dated: 25 July 2023

**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 2023, 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 a summary of significant accounting policies, 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 2023 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.

#### **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.

**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**

**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.
- 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.



**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**

- 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 handwritten signature in black ink that reads 'A. Ylias'.

**Alaine Ylias  
Registered Company Auditor**

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

**Dated: 25 July 2023**