

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**DIRECTORS' REPORT**

The directors of the South Tamworth Bowling Club Ltd (the 'entity') present this report for the financial year ended 30 June 2023.

**Directors**

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

	Years on Board	Qualifications	Special Responsibilities	Number of Directors Meetings (whilst a director)	
				Held	Attended
S P Sweeney	14	Hospital Orderly	Chairperson	11	11
T J Collins	11	Diploma of Management Diploma of Paramedical Science	Deputy Chairperson	11	11
C G Myers	8	Administration	Director	11	11
G J Collins	6	Retired	Director	11	11
S J Mitchell	4	Retired	Director	11	11

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

**Principal Activities & Strategies**

The principal activities of the company during the financial year were to provide facilities for the game of bowls and to provide facilities to members and their guests.

The entity's short-term objectives are to:

- continue to maintain Clubhouse facilities and bowling greens for the enjoyment of members.

The long-term objectives are to:

- be sustainable by achieving profits from activities and maintaining and improving facilities.

To achieve these objectives, the entity has adopted the following strategies:

- the entity strives to continue attracting members and their guests to support Club activities.

# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

**ABN 86 001 855 456**

## **DIRECTORS' REPORT**

### **Key Performance Measures**

The following measures are used within the company to monitor performance:

As per ClubsNSW code of practice guidelines for assessing club performance and benchmarking including but not limited to:

- Assessing profitability through EBITDA (Note 4);
- Membership numbers;
- Revenue centre profit benchmarking such as GP%;
- Employee benefits as a percentage of sales; and
- Assessing return on investment.

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2023, the total amount that members of the company are liable to contribute if the company is wound up is \$63,580 (2022: \$40,300).

### **Auditor's Independence Declaration**

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on page 3 of the financial report.

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

Director



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S P Sweeney

Dated: 22 August 2023

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**AUDITORS' INDEPENDENCE DECLARATION**  
**UNDER S 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTORS OF**  
**SOUTH TAMWORTH BOWLING CLUB LIMITED**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of SouthTamworth Bowling Club Ltd. As the lead audit partner for the audit of the financial report of South Tamworth Bowling Club Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: Brosie Martin

Name of Partner: Brian Brosie (Registration No. 1472)

Date: 22 August 2023

Address: 131 Marius Street  
TAMWORTH NSW 2340

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 JUNE 2023**

	Note	2023	2022
		\$	\$
Revenue	2	2,721,099	2,413,691
Cost of goods sold		(474,294)	(366,192)
Employee benefits expense		(1,003,767)	(959,527)
Depreciation	3	(261,078)	(301,746)
Gaming Machine Tax		(130,573)	(106,755)
Other expenses		<u>(722,532)</u>	<u>(579,944)</u>
<b>Profit before income tax</b>		128,855	99,527
Income tax expense		<u>-</u>	<u>-</u>
<b>Profit for the Year</b>		<u><u>128,855</u></u>	<u><u>99,527</u></u>
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>128,855</u></u>	<u><u>99,527</u></u>
<b>Total comprehensive income attributable to members of the entity</b>		<u><u>128,855</u></u>	<u><u>99,527</u></u>

The accompanying notes form part of these financial statements

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023**

	Note	2023	2022
<b>ASSETS</b>			
CURRENT ASSETS			
		\$	\$
Cash and cash equivalents	5	394,974	303,603
Inventories	6	89,983	71,326
Other assets	7	<u>56,641</u>	<u>16,105</u>
<b>TOTAL CURRENT ASSETS</b>		<u>541,598</u>	<u>391,034</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,113,607	4,081,580
Intangible assets	9	<u>450,000</u>	<u>450,000</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>4,563,607</u>	<u>4,531,580</u>
<b>TOTAL ASSETS</b>		<u>5,105,205</u>	<u>4,922,614</u>
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	10	157,247	156,352
Borrowings	11	61,989	78,211
Provisions	13	<u>53,159</u>	<u>36,094</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>272,395</u>	<u>270,657</u>
NON-CURRENT LIABILITIES			
Borrowings	12	71,160	-
Provisions	13	<u>13,704</u>	<u>11,365</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>84,864</u>	<u>11,365</u>
<b>TOTAL LIABILITIES</b>		<u>357,259</u>	<u>282,022</u>
<b>NET ASSETS</b>		<u>4,747,946</u>	<u>4,640,592</u>
<b>EQUITY</b>			
Asset revaluation reserve		1,116,929	1,116,929
Retained earnings		<u>3,631,017</u>	<u>3,523,663</u>
<b>TOTAL EQUITY</b>		<u>4,747,946</u>	<u>4,640,592</u>

The accompanying notes form part of these financial statements

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Total</b>
<b>Balance at 1 July 2021</b>	3,424,136	1,116,929	4,541,065
<b>Total comprehensive income attributable to members of the entity for the year</b>			
Profit for the year	99,527	-	99,527
<b>Balance at 30 June 2022</b>	<b>3,523,663</b>	<b>1,116,929</b>	<b>4,640,592</b>
<b>Total comprehensive income attributable to members of the entity for the year</b>			
Profit for the year	128,855	-	128,855
Prior year adjustment - members points	(21,501)	-	(21,501)
<b>Balance at 30 June 2023</b>	<b>3,631,017</b>	<b>1,116,929</b>	<b>4,747,946</b>

The asset revaluation reserve records revaluations of non-current assets.

The accompanying notes form part of these financial statements

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2023**

	Note	2023 \$	2022 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from members, guests & other parties		3,188,447	2,887,547
Payments to suppliers & employees		(2,861,388)	(2,531,247)
Interest paid		<u>(1,815)</u>	<u>(15,482)</u>
Net cash generated from operating activities		<u>325,244</u>	<u>340,818</u>
<b>Cash Flows from Investing Activities</b>			
Proceeds from sale of property, plant & equipment		20,000	17,124
Payment for property, plant & equipment		<u>(308,812)</u>	<u>(57,349)</u>
Net cash used in investing activities		<u>(288,812)</u>	<u>(40,225)</u>
<b>Cash Flows from Financing Activities</b>			
Proceeds from borrowings		173,629	187,579
Repayment of borrowings		<u>(118,691)</u>	<u>(394,588)</u>
Net cash generated (used in) financing activities		<u>54,938</u>	<u>(207,009)</u>
Net increase/(decrease) in cash held		91,370	93,584
Cash and cash equivalents at beginning of financial year		<u>303,604</u>	<u>210,020</u>
<b>Cash and cash equivalents at end of financial year</b>	<b>5</b>	<u><b>394,974</b></u>	<u><b>303,604</b></u>

The accompanying notes form part of these financial statements

# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

**ABN 86 001 855 456**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

The financial report covers the South Tamworth Bowling Club Ltd as an individual entity. The South Tamworth Bowling Club Ltd is a Company Limited by Guarantee under the Corporations Act 2001, incorporated and domiciled in Australia.

### **1. STATEMENT 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*. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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 amount presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 22 August 2023 by the directors of the entity.

#### **Accounting Policies**

##### **(a) Revenue & Other Income**

##### **Revenue from contracts with customers**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred.



# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the entity have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

The revenue recognition policies for the principal revenue streams of the entity are:

### **Membership**

Revenue from the rendering of a service is recognised upon delivery of the service to the members. Members subscriptions received in advance of the following year are brought to account as a liability at balance date.

### **Trading Revenue**

Trading revenue represents revenue earned from the club's trading activities. It includes poker machine revenue, bar sales, catering revenue, and commission received etc. It is recognised as the income is earned.

Interest revenue is recognised using the effective interest method.

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

### **(b) Inventories**

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

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

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

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

#### **Property**

Freehold land and buildings have been brought to account at independent valuation (2016), plus subsequent additions at cost, less where applicable, any accumulated depreciation and impairment losses.

In periods where the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying value for the land and buildings is not materially different to the fair value.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset the previous increases in the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Land and buildings owned by the Club situated at 11 - 23 Margaret Street is core property. All other land and buildings are non-core property.

**Plant and Equipment**

Plant and equipment are measured on a cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in the profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer Note 1(f) for details of impairment).

**Depreciation**

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over the useful lives of the assets to the entity commencing from the time the asset is held ready for use.

Depreciation rates used for each class of asset are as follows:

Buildings	2.5% (Prime)
Plant & Equipment	10-20% (Prime)
Poker Machines	10% (Prime)
Furniture & Fittings	10% (Prime)

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

# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. Gains are not classified as revenue. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

### **(d) Leases**

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

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

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

- fixed lease payments less any lease incentives;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

### **(e) Financial Instruments**

#### **Non-Derivative Financial Assets**

The company initially recognises loans, receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the instrument.

# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contract cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Club is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the company has a legal right to offset the amounts and intends either to settle the liability simultaneously. The company has the following non-derivative financial assets: loans and receivables and cash and cash equivalents.

### *Loans and Receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

### *Cash & Cash Equivalents*

Cash and cash equivalents comprise cash balances and call deposits with original maturities of twelve months or less.

### **Non-Derivative Financial Liabilities**

Financial liabilities are recognised initially on the date, which is the date that the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company classified non derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables and borrowings.

# SOUTH TAMWORTH BOWLING CLUB LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont)

### **(f) Impairment of Assets**

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg. in accordance with the *revaluation model in AASB 116: Property, Plant and Equipment*). An impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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.

### **(g) Employee Benefits**

#### **Short-term employee benefits**

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

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

#### **Other long-term employee benefits**

The company classifies employees' long service leave and annual leave as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the company's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

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

# **SOUTH TAMWORTH BOWLING CLUB LIMITED**

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## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

### **(h) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand and cash at bank.

### **(i) Trade and Other Receivables**

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

Accounts receivable are initially recognised at fair value and subsequently remeasured at amortised cost using the effective interest method, less any provision for impairment.

### **(j) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

### **(k) Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

### **(l) Provisions**

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

### **(m) Comparative Figures**

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

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

**(n) Trade and Other Payables**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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

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

**Key estimates**

*(i) Valuation of freehold land and buildings*

The freehold land and buildings were independently valued at 18 July 2016 by Preston Rover Paterson Tamworth Pty Ltd. The valuation was based on the fair value less costs of disposal. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the strong demand for land and buildings in the area and recent sales data for similar properties.

At 30 June 2023, the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions adopted by the valuers in 2016 and do not believe there has been a significant change in the assumption at 30 June 2023. The directors therefore believe the carrying value of the land correctly reflects the fair value less costs of disposal at 30 June 2023.

*(ii) Useful lives of property, plant and equipment*

As described in Note 1 ( c ) , the entity reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**Key judgements**

*(i) Performance Obligations under AASB 15*

To identify a performance obligation under AASB:15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

*(ii) Employee Benefits*

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12-month that follows, the directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected value of the expected future payments to be made to employees.



**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>2 Revenue</b>		
<b>Operating activities</b>		
Sale of Goods	1,078,333	835,141
Poker Machine Income	1,308,754	1,210,023
Profit(Loss) on Sale of Assets	4,293	(465)
Other Revenue	329,719	368,992
	<u>2,721,099</u>	<u>2,413,691</u>
<b>3 Profit/(loss) from ordinary activities</b>		
Profit/(loss) from ordinary activities before income tax expense has been determined after:		
Expenses:		
Cost of sales	474,294	366,192
Depreciation	261,078	301,746
Interest Paid	1,815	15,482
	<u>737,187</u>	<u>683,420</u>
Remuneration of Auditor		
Auditing the Accounts	14,000	14,000
Accounting Services	25,000	25,000
Taxation Services	824	824
	<u>39,824</u>	<u>39,824</u>
<b>4 EBITDA</b>		
Earnings before Interest, Tax, Depreciation and Amortisation		
Profit for the Year	128,855	99,527
Interest	1,815	15,482
Taxes	130,573	106,755
Depreciation	261,078	301,746
Amortisation	-	-
	<u>522,321</u>	<u>523,510</u>
EBITDA % to Revenue	19%	22%
<b>5 Cash and Cash Equivalentents</b>		
Cash on hand	211,213	130,160
Cash at Bank	183,761	173,443
	<u>394,974</u>	<u>303,603</u>

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

	2023	2022
	\$	\$
<b>6 Inventories</b>		
Stock on Hand - Bar	47,841	32,471
Stock on Hand - Bowls Shop	41,642	38,355
Stock on Hand - Restaurant	500	500
	89,983	71,326
<b>7 Other Assets</b>		
Trade Debtors	6,805	2,380
Sundry Debtors	38,250	-
Deposit - TAB	5,000	5,000
Prepayments	6,586	8,725
	56,641	16,105
<b>8 Property, Plant &amp; Equipment</b>		
<b>Land, Buildings &amp; Improvements</b>		
Freehold land at fair value		
- Independent Valuation - 2016	675,000	675,000
Total Land	675,000	675,000
Buildings at fair value		
- Independent Valuation - 2016	2,575,000	2,575,000
Improvements at cost	547,195	526,470
Accumulated Depreciation	(492,497)	(414,494)
Total Buildings	2,629,698	2,686,976
Total Land and Buildings	3,304,698	3,361,976
<b>Plant &amp; Equipment</b>		
Plant & Equipment at cost	2,539,021	2,553,384
Accumulated Depreciation	(1,764,641)	(1,893,400)
	774,380	659,984
Motor Vehicles at cost	52,946	106,284
Accumulated Depreciation	(18,417)	(46,664)
	34,529	59,620
<b>Total Plant &amp; Equipment</b>	808,909	719,604
<b>Total Property, Plant &amp; Equipment</b>	4,113,607	4,081,580

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR  
FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

**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.

	<b>Land and Buildings</b>	<b>Plant and Equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
Balance at beginning of year	3,361,976	659,984	59,620	4,081,580
Additions	20,725	288,087	-	308,812
Disposals		(145)	(15,562)	(15,707)
Depreciation Expense	(78,003)	(173,546)	(9,529)	(261,078)
Carrying amount at end of year	3,304,698	774,380	34,529	4,113,607

**2023**  
\$

**2022**  
\$

**9 Intangible Assets**

Poker Machine Entitlements - At Fair Value	450,000	450,000
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The Club has 32 poker machine entitlements. The entitlements have an indefinite useful life given they have no expiry date, and accordingly are not amortised.

**10 Trade and Other Payables**

Trade Creditors and Accruals	53,858	63,708
Income in Advance	25,330	28,478
Members Points	23,651	-
Other current payables - ATO	54,408	64,166
	<u>157,247</u>	<u>156,352</u>

**Financial liabilities at amortised cost classified as trade and other payables**

Trade and other payables:		
- total current	157,247	156,352
- total non-current	-	-
	<u>157,247</u>	<u>156,352</u>
Less deferred income & income in advance	<u>(48,981)</u>	<u>(28,478)</u>
	<u>108,266</u>	<u>127,874</u>

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

	2023	2022
	\$	\$
<b>11 Borrowings (Current)</b>		
Bank Loan	5,061	78,211
Aristocrat Finance	56,928	-
	61,989	78,211
<b>12 Borrowings (Non Current)</b>		
Aristocrat Finance	71,160	-
	71,160	-
<b>13 Provisions</b>		
<b>CURRENT</b>		
Provision for employee benefits: annual leave	53,159	36,094
Provision for employee benefits: long service leave	-	-
	53,159	36,094
<b>NON-CURRENT</b>		
Provision for employee benefits: long service leave	13,704	11,365
	13,704	11,365
	66,863	47,459
	<b>Employee</b>	<b>Total</b>
	<b>Benefits</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
Analysis of total provisions:		
Opening balance as at 1 July 2022	47,459	47,459
Additional provisions raised during year	63,126	63,126
Amounts used	(43,722)	(43,722)
Balance as at 30 June 2023	66,863	66,863

**Provision for Employee Benefits**

Provision for employee benefits represents amount accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlement that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

The non-current portion for this 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.

**14 Wages & Salaries**

	<b>2023</b>	<b>2022</b>
	\$	\$
Bar Operations	340,273	313,168
Café & Restaurant	230,798	228,627
Bowls Promotion & Shop	45,187	58,992
Greens	122,604	96,819
Administration	<u>174,856</u>	<u>174,252</u>
	<u><b>913,718</b></u>	<u><b>871,858</b></u>

**15 Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, secured and unsecured finance.

**Financial Assets**

Cash and cash equivalents	394,974	303,603
Trade and other receivables	<u>6,805</u>	<u>2,380</u>
<b>Total Financial Assets</b>	<u><b>401,779</b></u>	<u><b>305,983</b></u>

**Financial Liabilities**

Trade and other payables	108,266	127,874
Borrowings	<u>133,149</u>	<u>78,211</u>
<b>Total Financial Liabilities</b>	<u><b>241,415</b></u>	<u><b>206,085</b></u>

**a) Credit risk:**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions, as disclosed in the statement of financial position and notes to the financial statements. The Club does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Club.

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023 (Cont)**

**b) Net fair values:**

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

**16 Events after the Reporting Period**

The directors are not aware of any significant events since the end of the reporting period.

**17 Key Management Personnel Compensation**

Any person (s) having authority and responsibility for planning, directing and controlling the activities, directly or indirectly, including any director (whether executive or otherwise) of the entity, is considered key management personnel (KMP).

The total remuneration paid to KMP of the Company during the year are as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
KMP Compensation	112,035	155,380

**18 Other Related Party Transactions**

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

There have been no other related party transactions during the financial year.

**19 Entity Details**

The registered office and principal place of business of the Company is:  
South Tamworth Bowling Club Ltd  
13 Margaret Street  
Tamworth NSW 2340

**20 Members' Guarantee**

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute to a maximum of \$20 each towards meeting any outstanding obligations of the entity. At 30 June 2023 the number of members was 3,179.


**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of the South Tamworth Bowling Club Ltd,  
the director's declare that:

- 1 The financial statements and notes, as set out on pages 4 to 22, satisfy the requirements of the *Corporations Act 2001* and:
  - (a) comply with Australian Accounting Standards - Simplified Disclosures applicable to the entity; and
  - (b) give a true and fair view of the financial position of the entity as at the 30 June 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 entity will be able to pay its debts as and when they become due and payable.

Director



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S P Sweeney

Dated: 22 August 2023

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**SOUTH TAMWORTH BOWLING CLUB LTD**  
**ABN 86 001 855 456**

**Report on the Audit of the Financial Report**

**Opinion**

We have audited the financial report of South Tamworth Bowling Club Limited, which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the accompanying financial report of South Tamworth Bowling Club Ltd is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year then ended; 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 of 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 in 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 (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, as set out on page 3 of the financial statements would be in the same terms if provided to the directors as at the date of this auditor's report.

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

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

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the Financial Report**

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

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters relating 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**

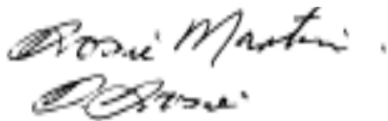
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australia Accounting 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 of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 audit evidence obtained up to 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 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.

Name of Firm: BROSIE MARTIN



Name of Partner: Brian J Brosie (Registration No: 1472)

Address: 131 Marius Street, Tamworth NSW 2340

Date: 22 August 2023

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**SPECIAL PURPOSE COMPILATION REPORT**  
**TO SOUTH TAMWORTH BOWLING CLUB LIMITED**

**Scope**

On the basis of information provided by the directors of South Tamworth Bowling Club Ltd, we have compiled in accordance with APES 315: *Compilation of Financial Information* the following special purpose financial report of South Tamworth Bowling Club Ltd comprising Trading and Income Statement for the year ended 30 June 2023.

The specific purpose for which the special purpose financial report has been prepared is for the confidential use of the directors and members. Accounting Standards and other mandatory professional reporting requirements have not been adopted in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent with the financial reporting requirements of South Tamworth Bowling Club Ltd's constitution and are appropriate to meet the needs of the directors and members of the company.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial report was compiled exclusively for the benefit of the directors and members of the company and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

**Name of Firm:** Brosie Martin Barnett



**Name of Partner:** Robert Taggart

**Address:** 131 Marius Street  
TAMWORTH NSW 2340

**Dated:** 22 August 2023

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**DETAILED INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
<b>INCOME</b>		
Operating Profit from Bar Trading	604,039	468,949
Bowls Shop Income (Net)	32,223	27,459
Café & Restaurant Income (Net)	100,368	145,459
Commissions Received	73,404	62,050
Contract Revenue	21,205	4,249
Government Assistance	-	97,944
Membership Subscriptions	27,027	31,058
Net Poker Machine Revenue	1,308,754	1,210,023
Sponsorship & Grants Received	7,373	773
Training Subsidies	68,119	-
<b>Total Income</b>	<u>2,242,512</u>	<u>2,047,964</u>
<b>EXPENSES</b>		
Affiliation Fees	13,333	10,775
Audit Fees	14,004	14,004
Accountancy Fees	31,650	25,820
Bank Fees	10,456	8,806
Bowls Promotion	17,500	6,414
Cleaning Contract and Materials	81,918	78,979
Courtesy Bus	2,524	4,013
Donations & Sponsorship	16,186	7,185
Entertainment	62,868	15,872
General Expenses	35,150	27,371
Greens and Grounds Maintenance	24,433	27,930
Insurance	93,713	82,727
Interest	1,815	15,482
Light, Power & Heating	78,707	47,428
Marketing & Promotions	58,067	58,937
Printing, Postage & Stationery	8,692	8,401
Raffles	2,547	3,589
Rates	31,171	29,723
Repairs & Maintenance	66,092	40,934
Security	8,026	13,061
Staff Expenses and Training	30,916	35,284
Superannuation	90,048	87,669
Taxi Vouchers	22,656	7,695
Telephone	10,108	9,514
Wages & Salaries	913,719	871,858
<b>Total Expenses</b>	<u>1,726,299</u>	<u>1,539,471</u>
<b>Profit before Depreciation and Taxes</b>	<u>516,213</u>	<u>508,493</u>
Depreciation	(261,078)	(301,746)
Profit/(Loss) on Sale of Assets	4,293	(465)
Gaming Machine Tax	(130,573)	(106,755)
<b>PROFIT FOR THE YEAR</b>	<u><u>128,855</u></u>	<u><u>99,527</u></u>

This statement should be read in conjunction with the attached compilation report.

**SOUTH TAMWORTH BOWLING CLUB LIMITED**  
**ABN 86 001 855 456**

**BAR TRADING STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
<b><u>Sales</u></b>	<u>1,078,333</u>	<u>835,141</u>
<b><u>Cost of Goods Sold</u></b>		
Opening Stock	32,471	32,156
Purchases	<u>489,664</u>	<u>366,507</u>
	522,135	398,663
Closing Stock	<u>47,841</u>	<u>32,471</u>
	<u>474,294</u>	<u>366,192</u>
<b><u>Gross Profit from Trading</u></b>	<u>604,039</u>	<u>468,949</u>
<b><u>Margin %</u></b>	<u>56%</u>	<u>56%</u>
<b><u>Less</u></b>		
Employee Benefits	340,273	313,168
Superannuation	35,729	31,317
Other Costs	<u>7,822</u>	<u>3,043</u>
<b><u>Operating Profit from Trading</u></b>	<u>220,215</u>	<u>121,421</u>
<b><u>Operating Profit to Sales %</u></b>	<u>20%</u>	<u>15%</u>
<b><u>Employee Benefits to Sales %</u></b>	<u>35%</u>	<u>41%</u>
<b><u>Average Weekly Sales</u></b>	<u>20,737</u>	<u>17,399</u>

This statement should be read in conjunction with the attached compilation report.