



**Telarah Bowling
Club**

ACN 42 000 616 704

**Annual Financial Report
for the year ended 30 June 2023**

Annual financial report for the year ended 30 June 2023

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These financial statements are the financial statements of Telarah Bowling Club. The financial statements are presented in the Australian currency.

The financial statements were authorised for issue by the Directors on 18 September 2023. The Directors have the power to amend and reissue the financial statements.

Directors' report

Your Directors present their report on Telarah Bowling Club (the Club) for the year ended 30 June 2023.

Directors details

The following persons were Directors of Telarah Bowling Club during the financial year, and up to the date of this report:

Mr Brian Lee

President
Director since 2020
Retired Business Development Manager

Mr Hugh Morrison

Director
Director since 2014
Retired Printer

Ms Debra Cheetham

Vice President
Director since 2014 (3 previous years served as a Director)
Office Administrator

Ms Deborah Smith

Director
Director since 2015
Retired Employment Consultant

Mr Alan Pritchard

Director
Director since 2018
Retired Railway Officer

Mr Keith Taylor

Director
Director since 2020
Carpenter

Mr Chris Connors

Director
Director since 2023
Risk partner for Transport NSW

Company secretary

Tracey Peterson has been a Company Secretary of Telarah Bowling Club since July 2022 (resigned August 2023).

Director's meetings

The number of meetings the Directors held during the year and the number of meetings attended by each director is as follows:

Board members	Board meetings	
	A	B
Mr Brian Lee	12	12
Mr Hugh Morrison	12	11
Ms Debra Cheetham	12	12
Ms Deborah Smith	12	10
Mr Alan Pritchard	12	11
Mr Keith Taylor	12	10
Mr Chris Connors (Appointed October 2022)	8	7
Mr Neale Savertsen (Not re-elected October 2022)	4	4

Where:

- column A: the number of meetings the Director was entitled to attend
- column B: the number of meetings the Director attended

Core and non-core property

Pursuant to Section 41E(5) of the Registered Clubs Act 1976 (NSW) for the financial year ended 30 June 2023, the following land and buildings are considered to be core and non-core property:

Core - Freehold land and buildings and leased car park situated at Clark Street, Telarah

Non-Core - nil

Principal activities

During the year, the principal activities of the Club was to run a licensed Club in accordance with its objectives for the benefit of its members.

Directors' report (cont.)

Short-term and long-term objectives

The Club's short-term objectives are to:

- Provide the best facilities available to members and their guests with a special interest in bowling activities.

Strategy for achieving short and long-term objectives

During the year the principal activities of the Club consisted of:

- Maintain or increase existing revenue levels and control costs to maintain profitability which will allow the Club's premises to be continually improved;
- Ensure greens are kept to an optimum standard by employing quality greenkeepers and undertaking regular maintenance;

Performance measurement

These strategies are measured through both financial and non financial key performance indicators that have been developed relevant to the club industry.

The Club measures its performance against industry benchmarks, gross profit percentage and wages to sales percentages to measure the financial performance of trading areas such as bar and gaming. The Club also uses EBITDA to measure the financial performance of the Club overall.

Significant changes in state of affairs

No significant changes in the Club's state of affairs occurred during the financial year.

Events since the end of the financial year

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

Likely developments and expected results of operations

The Club expects to continue to improve its financial performance and continue to provide quality facilities and services for members and guests.

Contribution in winding up

The Club is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Club 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 Club. At 30 June 2023 the total amount that members of the Club are liable to contribute if the Club was wound up is \$47,560 (2022: \$20,840).

Rounding of amounts

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 and forms part of this Directors' report.

This report is made in accordance with a resolution of the Directors.



Brian Lee - President



Debra Cheetham - Vice President

Dated: 18 September 2023
Telarah, NSW

Auditor's independence declaration

To the Directors of Telarah Bowling Club

In accordance with the requirements of Corporations Act 2001, as lead auditor for the audit of Telarah Bowling Club for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

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



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

Dated: 18 September 2023
Newcastle West, NSW

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue from continuing operations	2	2,766,616	1,852,525
Other Income	3	26,618	53,656
Bar cost of goods sold		(404,547)	(260,777)
Bar direct expenses		(266,119)	(153,644)
Poker Machine Expenses		(391,300)	(289,708)
Paper Gaming		(28,731)	(17,809)
Bowls Operation		(98,781)	(107,849)
Clubhouse expenses		(449,763)	(361,851)
Administration expenses		(522,111)	(435,612)
Bistro cost of goods sold		(127,678)	-
Bistro direct expenses		(194,912)	-
Borrowing Costs		(70,220)	(57,243)
Members amenities		(360,951)	(204,655)
		(2,915,113)	(1,889,148)
Profit / (loss) before income tax		(121,879)	17,033
Income tax expense		-	-
Profit / (loss) for the year		(121,879)	17,033
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income / (loss) for the year		(121,879)	17,033

The above *statement of profit or loss and other comprehensive income* should be read in conjunction with the accompanying notes

Statement of financial position

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	84,155	183,137
Inventories	5	39,304	28,354
Financial assets at amortised cost	6	18,280	41,812
Other assets	7	68,426	59,829
Total current assets		210,165	313,132
Non-current assets			
Property, plant and equipment	8	2,537,124	2,649,638
Lease assets	9	234,180	261,547
Total non-current assets		2,771,304	2,911,185
Total assets		2,981,469	3,224,317
LIABILITIES			
Current liabilities			
Trade and other payables	10	152,960	233,371
Financial liabilities	11	157,821	831,565
Provisions	12	45,962	49,173
Other liabilities	13	34,396	32,141
Lease liabilities	9	83,571	82,480
Total current liabilities		474,710	1,228,730
Non-current liabilities			
Financial liabilities	11	642,681	-
Provisions	12	7,800	7,670
Other liabilities	13	9,735	6,065
Lease liabilities	9	135,982	149,413
Total non-current liabilities		796,198	163,148
Total liabilities		1,270,909	1,391,878
Net assets		1,710,560	1,832,439
MEMBERS FUNDS			
Retained profits		1,710,560	1,832,439
Total members funds		1,710,560	1,832,439

The above *statement of financial position* should be read in conjunction with the accompanying notes

Telarah Bowling Club

Statement of changes in equity

For the year ended 30 June 2023

	Retained Profits \$	Total \$
Balance at 1 July 2021	1,815,406	1,815,406
Profit for the year	17,033	17,033
Total comprehensive income for the year	17,033	17,033
Balance at 30 June 2022	1,832,439	1,832,439
Profit for the year	(121,879)	(121,879)
Total comprehensive income for the year	(121,879)	(121,879)
Balance at 30 June 2023	1,710,560	1,710,560

The above *statement of changes in equity* should be read in conjunction with the accompanying notes

Statement of cash flows

For the year ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from members and customers		3,113,149	2,032,081
Receipts from government stimulus funding		-	51,866
Payments to suppliers and employees		(2,851,897)	(1,680,805)
Interest received		39	54
Interest paid		(70,220)	(57,243)
Net cash inflow (outflow) from operating activities		191,071	345,953
Cash flows from investing activities			
Payments for property, plant and equipment		(179,504)	(149,368)
Proceeds from sale of property, plant and equipment		6,144	-
Net cash inflow (outflow) from investing activities		(173,360)	(149,368)
Cash flows from financing activities			
Proceeds from borrowings		114,281	116,956
Repayment of borrowings		(145,344)	(310,865)
Repayment of lease liabilities		(85,630)	(77,587)
Net cash inflow (outflow) from financing activities		(116,693)	(271,496)
Net increase in cash and cash equivalents		(98,982)	(74,911)
Cash and cash equivalents at the beginning of the financial year	4	183,137	258,048
Cash and cash equivalents at the end of the financial year	4	84,155	183,137

The above *statement of cash flows* should be read in conjunction with the accompanying notes

Notes to the financial statements

For the year ended 30 June 2023

1 Summary of significant accounting policies

(a) Information about the entity

- Telarah Bowling Club is a company limited by guarantee, incorporated and domiciled in Australia.
- Telarah Bowling Club is a not for profit entity for the purpose of preparing the financial report.
- The registered office of the Club is Clarke Street Telarah, NSW 2320.
- The principal place of business of the Club is Clarke Street Telarah, NSW 2320.

(b) Basis of preparation

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

(c) Statement of compliance

This financial report complies with *AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* as issued by the Australian Accounting Standards Board (AASB).

The financial report has been prepared on an accruals basis and is based on historical costs. The financial report is presented in Australian Dollars.

(d) Working capital deficiency

As at 30 June 2023, Telarah Bowling Club has a working capital deficiency of \$264,545, represented by current assets of \$210,165 and current liabilities of \$474,710.

The Directors have determined that the going concern basis of preparation is appropriate given the following:

- (a) The Club has a cash balance at 30 June 2023 of \$84,155.
- (b) The Club reported positive operating cashflows of \$191,071 for the year ended 30 June 2023.
- (c) The Club do not foresee any issues in continuing to meet the terms and conditions of its loans with the Bank.
- (d) The Club expects it will be able to continue to generate positive operating cashflows.
- (e) The Directors have prepared a cashflow and operating budget for 2024 which indicate an estimated operating cash surplus of \$256,434, and EBITDA of \$325,243
- (f) The Club expects to continue to receive support from its suppliers and members.

The Directors are of the opinion the above will be achieved and the Club will continue as a going concern and meet its debts and commitments as they fall due. As a result, the Directors have prepared the financial report on a going concern basis.

(e) Income Taxes

The Club is exempt from income tax under section 50-45 of the Income Tax Assessment Act 1997.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the Australian Taxation Office (ATO). In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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.

Notes to the financial statements

For the year ended 30 June 2023

1 Summary of significant accounting policies (cont)**(g) Rounding of amounts**

The Club is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with the instrument to the nearest dollar.

(h) Sub Clubs

The Men's Bowls and Women's Bowls Sub Clubs have been consolidated into the Club's financial statements, due to the Club's constitution providing effective control over each Sub Club, with the bank balances of the Sub Clubs included on the statement of financial position. A corresponding liability for each Sub Club has also been brought to account recognising the commitment of the identified funds to the future operation of the respective Sub Clubs.

2 Revenue**(a) Disaggregation of revenue from contracts with customers**

The Club derives revenue from the transfer of goods and services over time and at a point in time for the following services:

	Beverage revenue	Bistro revenue	Gaming revenue	Raffle revenue	Bowls revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2023							
Revenue from contracts with customers	970,260	223,289	1,255,361	174,893	17,016	108,617	2,749,436
Other revenue (not covered by AASB15)	-	-	17,180	-	-	-	17,180
	<u>970,260</u>	<u>223,289</u>	<u>1,272,541</u>	<u>174,893</u>	<u>17,016</u>	<u>108,617</u>	<u>2,766,616</u>

Timing of revenue recognition

At a point in time	970,260	223,289	1,255,361	174,893	17,016	85,396	2,726,215
Over time	-	-	17,180	-	-	23,221	40,401
	<u>970,260</u>	<u>223,289</u>	<u>1,272,541</u>	<u>174,893</u>	<u>17,016</u>	<u>108,617</u>	<u>2,766,616</u>

	Beverage revenue	Bistro revenue	Gaming revenue	Raffle revenue	Bowls revenue	Other revenue	Total
	\$	\$	\$	\$	\$	\$	\$
2022							
Revenue from contracts with customers	624,439	-	958,127	99,664	9,662	143,453	1,835,345
Other revenue (not covered by AASB15)	-	-	17,180	-	-	-	17,180
	<u>624,439</u>	<u>-</u>	<u>975,307</u>	<u>99,664</u>	<u>9,662</u>	<u>143,453</u>	<u>1,852,525</u>

Timing of revenue recognition

At a point in time	624,439	-	958,127	99,664	9,662	116,516	1,808,408
Over time	-	-	17,180	-	-	26,937	44,117
	<u>624,439</u>	<u>-</u>	<u>975,307</u>	<u>99,664</u>	<u>9,662</u>	<u>143,453</u>	<u>1,852,525</u>

(b) Accounting policies and significant judgements

The Club recognises revenue related to the transfer of promised goods or services when a performance obligation is satisfied and when control of the goods or services passes to the customer. The amount of revenue recognised reflects the consideration to which the Club is or expects to be entitled in exchange for those goods or services.

The Club considers whether there are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. Loyalty Points Program). In determining the transaction price for the sale of goods, the Club considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(i) Sale of goods - beverage

Revenue from the sale of beverages is recognised at a point in time when the physical control of the goods passes to the customer.

Notes to the financial statements

For the year ended 30 June 2023

2 Revenue (continued)**(b) Accounting policies and significant judgements (continued)***(ii) Sale of goods - food*

Revenue from the sale of food is recognised at a point in time when the physical control of the goods passes to the customer.

(iii) Provision of services - gaming revenue

Revenue from rendering services from gaming facilities to members and other patrons of the club is recognised when the services are provided. Gaming revenue is measured at the fair value of the consideration received from the net position of the wagers placed less customer winnings paid out. Commission income where the Club acts as an agent for third parties who provide wagering services to customers is recognised at a point in time when the wagering transaction has been completed.

(iv) Provision of services - raffle revenue

Raffle revenue is recognised at a point in time when the customer takes possession of the ticket and the raffle has been conducted as at this point the performance obligations have been satisfied.

(v) Provision of services - bowls revenue

Revenue from rendering services from bowling activities to members and other patrons of the Club is recognised when the services are provided.

(vi) Other revenue

Membership subscriptions are recognised over the term of membership and any unearned portion is deferred and included in contract liabilities. Membership revenue is measured with reference to the fee received and the period of membership that the member has paid for.

The Club recognises other revenue at a point in time when the performance obligation has been satisfied.

3 Other income and expense items

	2023	2022
	\$	\$
(a) Other income		
Insurance proceeds	20,435	1,736
Interest Income	39	54
Government Stimulus Payments - JobSaver	-	51,866
Gain on disposal of property, plant and equipment	6,144	-
	<u>26,618</u>	<u>53,656</u>

(i) Insurance proceeds

The Club recognises income from insurance claims when an insured event has occurred and the realisation of the insurance recovery is virtually certain.

(ii) Interest income

Interest income is recognised on an accruals basis.

(iii) Government stimulus payments

The Club recognises stimulus funding from the Australian Taxation Office and Revenue New South Wales when it is considered to be receivable.

(iv) Gain on disposal of property, plant and equipment

The Club recognised gains and losses on disposal of property, plant and equipment by comparing proceeds received on sale with the carrying amount of the asset being sold.

(b) Other expenses

Employee Benefits Expense	840,718	473,750
Depreciation and amortisation	387,303	357,527
Interest costs	70,220	57,243

Notes to the financial statements

For the year ended 30 June 2023

4 Cash and cash equivalents

	2023	2022
	\$	\$
Current		
Cash and Cash Equivalents	84,155	183,137
	<u>84,155</u>	<u>183,137</u>

Accounting policy

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts (if any).

5 Inventories

Current		
Stock on hand	39,304	28,354
	<u>39,304</u>	<u>28,354</u>

Accounting policy

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

6 Financial assets at amortised cost

Current		
Other receivables	18,280	41,812
	<u>18,280</u>	<u>41,812</u>

Accounting policy

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method.

7 Other assets

Current		
Prepayments	68,426	59,829
	<u>68,426</u>	<u>59,829</u>

Accounting policy

This includes prepayments made in advance for goods and services which are to be received in a future period.

Notes to the financial statements

For the year ended 30 June 2023

8 Property, plant and equipment

	Work in Progres \$	Land and buildings \$	Plant and equipment \$	Poker machines \$	Greens and Equipment \$	Total \$
Non-current assets						
At 1 July 2022						
Cost	4,510	4,384,182	888,558	1,054,321	547,746	6,879,317
Accumulated depreciation	-	(2,387,541)	(636,994)	(903,850)	(301,294)	(4,229,679)
Net book amount	4,510	1,996,641	251,564	150,471	246,452	2,649,638
Year ended 30 June 2023						
Opening net book amount	4,510	1,996,641	251,564	150,471	246,452	2,649,638
Additions	-	57,309	85,885	19,609	11,328	174,131
Depreciation charge	-	(124,920)	(65,098)	(72,276)	(24,351)	(286,645)
Closing net book amount	4,510	1,929,030	272,351	97,804	233,429	2,537,124
At 30 June 2023						
Cost	4,510	4,441,491	974,445	1,014,250	559,073	6,993,769
Accumulated depreciation	-	(2,512,461)	(702,094)	(916,446)	(325,644)	(4,456,645)
Net book amount	4,510	1,929,030	272,351	97,804	233,429	2,537,124

Accounting policy**(a) Land and buildings**

Freehold land and buildings are carried at cost less any accumulated depreciation and any impairment in value.

(b) Plant and equipment, poker machines, greens and equipment

Plant and equipment, poker machines, greens and equipment are carried at cost less any accumulated depreciation and any impairment in value.

(c) Depreciation

Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

Buildings	10 - 40 years
Plant and Equipment	2.5 - 15 years
Poker Machines	4 - 5 years
Greens and Equipment	5 - 15 years

(d) Impairment

The carrying values of property, plant and equipment, poker machines, greens and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash in flows, the recoverable amount is determined for the cash generating unit in which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the future economic benefits of an asset are not dependant on the asset's ability to generate net cash inflows and if deprived of the asset the Club would replace its remaining future economic benefit, value in use is determined as the depreciated replacement cost of the asset.

Impairment losses are recognised in the statement of profit or loss and other comprehensive income as a separate line item.

Notes to the financial statements

For the year ended 30 June 2023

9 Lease assets and lease liabilities

2023	2022
\$	\$

The Club leases several assets including poker machines, point-of-sale hardware and a photocopier.

a) Lease assets**Non-current**

Poker Machines	178,707	185,264
Plant and Equipment	55,473	76,283
	234,180	261,547

Reconciliation of lease assets	Poker Machines	Equipmen t	2023	2022
	\$	\$	\$	\$
Carrying amount at the beginning of the year	185,264	76,283	261,547	215,070
Additions	73,291	-	73,291	120,930
Transfers	-	-	-	(914)
Amortisation	(79,848)	(20,810)	(100,658)	(73,539)
Carrying amount at the end of the year	178,707	55,473	234,180	261,547

b) Lease liabilities**Current**

Lease liabilities	62,408	21,163	83,571	82,480
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Non-current

Lease liabilities	96,067	39,915	135,982	149,413
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Total

	158,475	61,078	219,554	231,893
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Reconciliation of lease liabilities	Poker Machines	Equipmen t	2023	2022
	\$	\$	\$	\$
Carrying amount at the beginning of the year	151,527	80,366	231,893	188,552
Additions	73,291	-	73,291	120,930
Interest expense	4,641	5,427	10,068	6,962
Lease payments	(70,984)	(24,714)	(95,698)	(84,551)
Carrying amount at the end of the year	158,475	61,079	219,554	231,893

Maturity analysis of future lease payments

			Total	Total
			\$	\$
Not later than 1 year	71,160	25,074	96,234	98,430
Later than 1 year and not later than 5 years	102,018	42,235	144,253	152,701
Lease payments	173,178	67,309	240,487	251,131

Accounting policy

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration. If the terms and conditions of a contract are changed, it is reassessed to once again determine if the contract is still, or now contains, a lease.

The term of a lease is determined as the non-cancellable period of the lease, together with the periods covered by an option to extend the lease where there is reasonable certainty that the option will be exercised, and periods covered by an option to terminate the lease if there is reasonable certainty that the option will not be exercised.

At inception, a lease asset and a lease liability is recognised. Lease assets are included in the statement of financial position and grouped in classes of similar underlying assets.

Lease assets are initially measured at cost, comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- an estimate of costs to be incurred in dismantling and removing the underlying asset;
- any initial direct costs incurred;

Notes to the financial statements

For the year ended 30 June 2023

9 Leases (continued)

At the commencement date of the lease, the lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Club's incremental borrowing rate. The weighted average incremental borrowing rate is 7.17%.

The lease payment used in the calculation of the lease liabilities includes variable payments when they relate to an index or rate. Where leases contain variable lease payments based on an index or rate at a future point in time, the Club has only included the known CPI increases to date and not estimated future CPI-related increases.

The Club does not recognise leases that have a lease term of 12 months or less or are of low value as a lease asset or lease liability. The lease payments associated with these leases are recognised as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

Peppercorn Lease

The Club has entered into a lease agreement with Maitland City Council to lease the carpark adjacent to the Club. The Club has elected to apply a temporary exemption available which allows the associated lease asset to be measured at cost and not fair value. As this lease is for \$1 annually (with a term of 5 years remaining), no lease liability or associated lease asset has been recognised.

10 Trade and other payables

	2023	2022
	\$	\$
Current		
Trade payables	96,985	129,473
GST payable	55,975	103,898
	<u>152,960</u>	<u>233,371</u>

Accounting policy

Trade and other payables, including accruals, are recorded initially at fair value and subsequently at amortised cost. Trade and other payables are non-interest bearing. Trade accounts payable are normally settled within 30 days.

11 Financial liabilities**Current***Secured*

Bank loans (i)	94,474	773,135
Total secured financial liabilities	<u>94,474</u>	<u>773,135</u>

Unsecured

Insurance loans	63,347	58,430
Total unsecured financial liabilities	<u>63,347</u>	<u>58,430</u>
	<u>157,821</u>	<u>831,565</u>

Non-current*Secured*

Bank loans (i)	642,681	-
	<u>642,681</u>	<u>-</u>

(i) Secured liabilities

The bank loans are secured by first mortgage over the Club's non residential real property located at Clarke Street, Telarah as well as a general security interest in the assets of the Club.

Accounting policy

Financial liabilities are initially recognised at fair value, net of transaction costs incurred. Borrowing costs are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest rate method.

Financial liabilities are classified as non-current liabilities if the Club has a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the financial statements

For the year ended 30 June 2023

12 Provisions

	2023	2022
	\$	\$
Current		
Employee entitlements (i) & (ii)	32,260	25,748
Members points liability	11,802	21,625
Members draw	1,900	1,800
	<u>45,962</u>	<u>49,173</u>
Non-current		
Employee entitlements (ii)	7,800	7,670
	<u>7,800</u>	<u>7,670</u>

Accounting policy*(i) Annual leave*

Liabilities for annual leave expected to be settled within 12 months of the reporting date, are recognised in the provision for employee benefits in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Any annual leave expected to be settled beyond 12 months of the reporting date is measured at the present value of expected future payments.

(ii) Long service leave

The liabilities for long service leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage levels and period of service. Discount rates of the Australian bond rates matching the estimated future cash outflows have been used.

13 Other liabilities**Current**

Contract liabilities - membership income	13,348	10,880
Other liabilities	21,048	21,261
	<u>34,396</u>	<u>32,141</u>

Non-current

Contract Liabilities - membership income	9,735	6,065
	<u>9,735</u>	<u>6,065</u>

Accounting policy

Revenues received in advance are recorded as a contract liability if they are in relation to contracts with customers under AASB 15 and recognised as revenue when they are earned in future periods. Other revenue received in advance that is not covered by AASB 15 is recorded as other liabilities and is recognised as revenue when they are earned in future periods.

14 Commitments*(i) Capital Commitments*

Air Conditioning Unit	-	24,524
	<u>-</u>	<u>24,524</u>

Notes to the financial statements

For the year ended 30 June 2023

15 Contingent liabilities(i) *Bank guarantee substituting for a security deposit for TAB facilities*

The Club has a bank guarantee for \$5,000 (2022: \$5,000) issued in favour of TAB Limited. The guarantee is provided by the Commonwealth Bank of Australia and is secured by a term deposit held with the Bank.

(ii) *Creditor Claim*

The Club has received a claim from a supplier in the amount of \$43,250 which the Club is disputing. Limited correspondence has been received by the Club in relation to the matter, nor has the creditor commenced legal proceedings. The Directors are of the view that no amount is payable in relation to the claim.

16 Related parties

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

(a) *Key management personnel compensation*

	2023	2022
	\$	\$
Total key management personnel benefits	<u>115,960</u>	<u>109,661</u>

The wife of Director Brian Lee is engaged by the Club as the Bowls Co-ordinator. The amount paid for these services during the year totalled \$27,625 (2022: \$23,970).

17 Remuneration of auditors*Auditor of the company*

Audit of the financial statements	16,400	15,300
Other services - consulting services	17,240	18,190
	<u>33,640</u>	<u>33,490</u>

18 Critical accounting estimates and judgements

Management is required to make judgements, estimates and assumptions about reported amounts of assets, liabilities, income and expenses that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Judgements made by management that have significant effects on the financial statements and estimates with a significant risk of material adjustment in the next period are disclosed where applicable, in the relevant notes to the financial statements:

- Estimation of useful lives of non-current assets (notes 8 and 9) - The useful life of property, plant and equipment and lease assets (where useful life is greater than the lease term) is initially assessed at the date the asset is ready for use and reassessed at each reporting date based on the use of the assets and the period over which economic benefits will be derived from the asset. There is uncertainty in relation to the assessment of the life of the asset including factors such as the rate of wear and tear and technical obsolescence. There is uncertainty in relation to this assumption as it is based on current legislation and conditions attached to the entitlements. The estimates and judgements involved may impact the carrying value of the non-current assets and the depreciation and amortisation charges recorded in the statement of profit or loss and other comprehensive income should they change.

Directors' declaration

In the Directors' opinion:

- (a) the financial statements and notes set out on pages 6 to 18 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the Club's financial position as at 30 June 2023 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the Club will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Brian Lee - President



Debra Cheatham - Vice President

18 September 2023
Telarah, NSW

Independent auditor's report to the members of Telarah Bowling Club

Opinion

We have audited the financial report of Telarah Bowling Club (the Club) which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Club is in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the Clubs financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements.

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

Responsibilities of the Directors for the financial report

The Directors of the Club are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures 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 Club'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 Club or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Clubs financial reporting process.

Matters relating to the electronic presentation of the audited financial report

The auditor's report relates to the financial report of the Club for the year ended 30 June 2023 included on the Club's web site. The Club's Directors are responsible for the integrity of the Club's web site. We have not been engaged to report on the integrity of this web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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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 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our audit report.



Shaun Mahony - Partner



Pitcher Partners NH Partnership
Chartered Accountants

18 September 2023
Newcastle West, NSW

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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