

Austral Bowling Club Limited

ABN 67 000 485 218

Financial Statements

For the Year Ended 31 December 2020

Austral Bowling Club Limited

ABN 67 000 485 218

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For the Year Ended 31 December 2020

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Austral Bowling Club Limited

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Directors' Report 31 December 2020

The directors present their report on Austral Bowling Club Limited for the financial year ended 31 December 2020.

1. General information

Directors

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

Names	Years as a Club Director	Director Since
Bruce Blogg	6	2014
William Shaw	3	2017
Matthew Hooker	3	2017
James Wardle	5	2015
Mark Behringer	2	2018
Kevin Crocker	2	2018
Shane Woods	1	2019
Terrance Hooper		Commenced July 2020
Kenneth Williams		Commenced July 2020
George Bevan		Commenced July 2020
Matt Pannowitz		Commenced July 2020
Wayne Crompton		Commenced July 2020

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

Principal activities

The principal activity of Austral Bowling Club Limited during the financial year was that of a licenced bowling club.

No significant changes in the nature of the Company's activity occurred during the financial year.

Members' guarantee

Austral Bowling Club Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 5 for members that are corporations and \$ 5 for all other members, subject to the provisions of the company's constitution.

At 31 December 2020 the collective liability of members was \$ 16,255 (2019: \$ 12,185).

Operating results

The profit of the Company for the year amounted to \$ 1,239,701 (2019: \$ 721,483).

2. Other items

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Austral Bowling Club Limited

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Directors' Report

31 December 2020

Meetings of directors

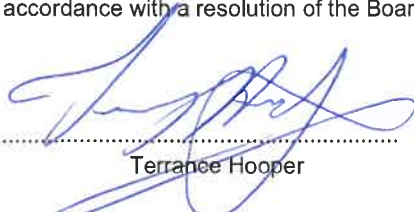
During the financial year, 8 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:


	Directors' Meetings	
	Number eligible to attend	Number attended
Bruce Blogg	3	2
William Shaw	8	8
Matthew Hooker	3	3
James Wardle	3	3
Mark Behringer	8	8
Kevin Crocker	3	3
Shane Woods	3	-
Terrance Hooper	6	6
Kenneth Williams	6	6
George Bevan	6	6
Matt Pannowitz	6	4
Wayne Crompton	6	6

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 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: 
Terrance Hooper

Director: 
Kenneth Williams

Dated 30 April 2021



**FITZPATRICK
+ ROBINSON**
ACCOUNTING & BUSINESS SPECIALISTS

Austral Bowling Club Limited

ABN 67 000 485 218

**Auditor's Independence Declaration under Section 307C of the
Corporations Act 2001 to the Directors of Austral Bowling Club
Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2020, 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.

Fitzpatrick + Robinson
Certified Practising Accountants

Warwick Anthony Fitzpatrick
Director

Dated 30th April 2021

Austral Bowling Club Limited

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2020

		2020	2019
	Note	\$	\$
Revenue	4	4,070,537	3,721,320
Finance income	5	6,790	7,933
Other income	4	156,329	210,162
Cost of Goods Sold	6	(1,167,182)	(1,444,696)
Employee Benefits Expenses	6	(788,626)	(691,539)
Depreciation and amortisation expense	6	(491,534)	(472,068)
Other Operating Expenses		(539,912)	(599,207)
Directors' Related Expenses		(6,684)	(7,337)
Finance expenses	5	(17)	(3,085)
Surplus before income tax		1,239,701	721,483
Income tax expense		-	-
Surplus for the year		1,239,701	721,483
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive income for the year		1,239,701	721,483

The accompanying notes form part of these financial statements.

Austral Bowling Club Limited

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Statement of Financial Position As At 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	3,295,800	1,784,759
Trade and other receivables	8	12,868	5,958
Inventories	9	30,829	33,379
Other assets	12	46,694	42,611
TOTAL CURRENT ASSETS		3,386,191	1,866,707
NON-CURRENT ASSETS			
Property, plant and equipment	10	3,335,388	3,528,998
Intangible assets	11	349,376	349,376
TOTAL NON-CURRENT ASSETS		3,684,764	3,878,374
TOTAL ASSETS		7,070,955	5,745,081
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	299,697	250,608
Borrowings	14	20,993	19,156
Employee benefits	15	83,045	47,798
TOTAL CURRENT LIABILITIES		403,735	317,562
TOTAL LIABILITIES		403,735	317,562
NET ASSETS		6,667,220	5,427,519
EQUITY			
Reserves		645,566	645,566
Retained earnings		6,021,654	4,781,953
TOTAL EQUITY		6,667,220	5,427,519

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity For the Year Ended 31 December 2020

2020

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2020	4,781,953	645,566	5,427,519
Surplus for the year	1,239,701	-	1,239,701
Total other comprehensive income for the period	-	-	-
Balance at 31 December 2020	6,021,654	645,566	6,667,220

2019

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2019	4,060,470	645,566	4,706,036
Surplus for the year	721,483	-	721,483
Total other comprehensive income for the period	-	-	-
Balance at 31 December 2019	4,781,953	645,566	5,427,519

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and government	13,401,859	11,507,090
Payments to suppliers and employees	(11,601,504)	(10,479,269)
Interest received	6,790	6,975
Interest paid	(17)	(3,085)
Net cash provided by/(used in) operating activities	<u>1,807,128</u>	<u>1,031,711</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(297,924)	(274,644)
Net cash provided by/(used in) investing activities	<u>(297,924)</u>	<u>(274,644)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	33,000	19,156
Repayment of borrowings	(31,163)	(71,730)
Net cash provided by/(used in) financing activities	<u>1,837</u>	<u>(52,574)</u>
Net increase/(decrease) in cash and cash equivalents held	1,511,041	704,493
Cash and cash equivalents at beginning of year	1,784,759	1,080,266
Cash and cash equivalents at end of financial year	<u>7</u> <u>3,295,800</u>	<u>1,784,759</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements For the Year Ended 31 December 2020

The financial report covers Austral Bowling Club Limited as an individual entity. Austral Bowling Club Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Austral Bowling Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Act 2001*.

2 Summary of Significant Accounting Policies

(a) Revenue and 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 Company 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

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 Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

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

Poker Machine Income

Gaming revenue is the net difference between gaming wins and losses, and is recognised upon the outcome of the game. This is consistent with current accounting treatment.

Bar Sales

Food and beverage revenue is recognised as the goods are provided.

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Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

Contract cost assets

The Company recognises assets relating to the costs of obtaining a contract and the costs incurred to fulfil a contract or set up / mobilisation costs that are directly related to the contract provided they will be recovered through performance of the contract.

Costs to obtain a contract

Costs to obtain a contract are only capitalised when they are directly related to a contract and it is probable that they will be recovered in the future. Costs incurred that would have been incurred regardless of whether the contract was won are expensed, unless those costs are explicitly chargeable to the customer in any case (whether or not the contract is won).

The capitalised costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Set-up / mobilisation costs

Costs required to set up the contract, including mobilisation costs, are capitalised provided that it is probable that they will be recovered in the future and that they do not include expenses that would normally have been incurred by the Company if the contract had not been obtained. They are recognised as an expense on the basis of the proportion of actual output to estimated output under each contract. If the above conditions are not met, these costs are taken directly to profit or loss as incurred.

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the Company that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

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Notes to the Financial Statements

For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

Provisions relating to contracts with customers

There are no provisions relating to contracts with customers identified during the year.

Financing component of contracts with customers

There are no financing component of contracts with customers identified during the year.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Inventories

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

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

Land and buildings

Land and buildings are measured using the revaluation model.

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Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Buildings	4% - 25%
Plant and Equipment	5% - 33%
Motor Vehicles	25%
Poker Machines	25%
Bowling Greens	10% - 25%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL (Not applicable to entity)
- fair value through other comprehensive income - equity instrument (FVOCI - equity) (Not applicable to entity)

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Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

- fair value through other comprehensive income - debt investments (FVOCI - debt) (Not applicable to entity)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI (Not applicable to entity)

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or

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Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables and other loans.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) 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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

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Notes to the Financial Statements For the Year Ended 31 December 2020

2 Summary of Significant Accounting Policies

(h) Employee benefits

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(i) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

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.

There are no indicators of impairment during the year.

Key estimates - property held at fair value

An independent valuation of property (land and buildings) was carried at fair value obtained in the past. The directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

Note 19 provides information on inputs and techniques to determine valuation.

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Notes to the Financial Statements For the Year Ended 31 December 2020

4 Revenue and Other Income

Revenue from continuing operations

	2020	2019
	\$	\$
Revenue from contracts with customers (AASB 15)		
- Gaming Income	3,095,940	2,828,914
- Bar	629,599	816,689
- Membership Fees	27,634	22,791
- Bowls Income (Men & Ladies)	26,864	52,926
	<u>3,780,037</u>	<u>3,721,320</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Government Grants (Job Keeper)	190,500	-
- Government Grants (Cashflow Boost)	100,000	-
	<u>290,500</u>	<u>-</u>
Total Revenue	<u>4,070,537</u>	<u>3,721,320</u>

	2020	2019
	\$	\$
Other Income		
- other income	132,009	155,623
- donations	6,000	1,500
- net gain on disposal of property, plant and equipment	18,320	53,039
	<u>156,329</u>	<u>210,162</u>
Total Revenue and Other Income	<u>4,226,866</u>	<u>3,931,482</u>

5 Finance Income and Expenses

Finance income

	2020	2019
	\$	\$
Interest income		
- Assets measured at amortised cost	6,790	7,933
Total finance income	<u>6,790</u>	<u>7,933</u>

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Notes to the Financial Statements

For the Year Ended 31 December 2020

5 Finance Income and Expenses

Finance expenses

	2020	2019
	\$	\$
Interest expense	17	3,085
Total finance expenses	17	3,085

6 Result for the Year

The result for the year includes the following specific expenses:

	2020	2019
	\$	\$
Cost of sales	1,167,182	1,444,696
Other expenses:		
Employee Benefits Expenses	788,626	691,539
Depreciation expense	491,534	472,068

7 Cash and Cash Equivalents

	2020	2019
	\$	\$
Cash at bank and in hand	3,295,800	1,782,759
Other cash and cash equivalents	-	2,000
	3,295,800	1,784,759

8 Trade and other receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	7,868	-
	7,868	-
Deposits	5,000	5,000
Other receivables	-	958
Total current trade and other receivables	12,868	5,958

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

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Notes to the Financial Statements For the Year Ended 31 December 2020

9 Inventories

	2020	2019
	\$	\$
CURRENT		
At cost:		
Finished goods	30,829	33,379
	<u>30,829</u>	<u>33,379</u>

10 Property, plant and equipment

	2020	2019
	\$	\$
Buildings		
At cost	4,080,783	4,050,299
Accumulated depreciation	(1,719,275)	(1,580,648)
Total buildings	<u>2,361,508</u>	<u>2,469,651</u>
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	102,115	100,420
Accumulated depreciation	(88,226)	(81,482)
Total plant and equipment	<u>13,889</u>	<u>18,938</u>
Furniture, fixtures and fittings		
At cost	1,249,611	1,198,021
Accumulated depreciation	(1,062,866)	(984,862)
Total furniture, fixtures and fittings	<u>186,745</u>	<u>213,159</u>
Motor vehicles		
At cost	6,572	6,572
Accumulated depreciation	(3,810)	(2,167)
Total motor vehicles	<u>2,762</u>	<u>4,405</u>
Poker Machines		
At cost	1,621,041	1,433,386
Accumulated depreciation	(1,137,057)	(870,541)
Total Property, plant and equipment UD1	<u>483,984</u>	<u>562,845</u>
Bowling Greens		
At cost	286,500	260,000
Total Bowling Greens	<u>286,500</u>	<u>260,000</u>
Total property, plant and equipment	<u>3,335,388</u>	<u>3,528,998</u>

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Notes to the Financial Statements For the Year Ended 31 December 2020

10 Property, plant and equipment

(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:

	Buildings \$	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Motor Vehicles \$
Year ended 31 December 2020				
Balance at the beginning of year	2,469,651	18,938	213,159	4,405
Balance at the end of the year	2,469,651	18,938	213,159	4,405
		Poker Machines \$	Bowling Greens \$	Total \$
Year ended 31 December 2020				
Balance at the beginning of year		562,845	260,000	4,012,982
Balance at the end of the year		562,845	260,000	4,012,982

11 Intangible Assets

	2020 \$	2019 \$
Poker Machine Entitlements Cost	349,376	349,376
Net carrying value	349,376	349,376
Total Intangible assets	349,376	349,376

12 Other Assets

	2020 \$	2019 \$
CURRENT Prepayments	46,694	42,611
	46,694	42,611

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Notes to the Financial Statements For the Year Ended 31 December 2020

13 Trade and Other Payables

	2020	2019
	\$	\$
CURRENT		
Trade payables	66,092	67,328
GST payable	87,657	62,249
Sundry payables and accrued expenses	99,608	82,310
Other payables	46,340	38,721
	<u>299,697</u>	<u>250,608</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

14 Borrowings

	2020	2019
	\$	\$
CURRENT		
Secured liabilities:		
Lease liability secured	20,993	19,156
Total current borrowings	<u>20,993</u>	<u>19,156</u>
Total borrowings	<u>20,993</u>	<u>19,156</u>

Leased liabilities are secured by the underlying leased assets.

15 Employee Benefits

	2020	2019
	\$	\$
Current liabilities		
Long service leave	24,925	16,769
Provision for employee benefits	58,120	31,029
	<u>83,045</u>	<u>47,798</u>

16 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model.

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Notes to the Financial Statements For the Year Ended 31 December 2020

17 Members' Guarantee

The Company 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 each towards meeting any outstandings and obligations of the Company. At 31 December 2020 the number of members was 3,251 (2019: 2,437).

18 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$ 136,014 (2019: \$ 119,692). The key management personnel of the Company is Karen Butler, General Manager of the Club.

19 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Property, plant and equipment
 - Buildings

20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2020 (31 December 2019: None).

21 Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 18.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

There are no related party transactions identified during the year.

(c) Loans to/from related parties

There are no loans to/ from related parties identified during the year.

22 Events after the end of the Reporting Period

The financial report was authorised for issue on 30 April 2021 by the Board of Directors.

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.

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Notes to the Financial Statements

For the Year Ended 31 December 2020

23 Statutory Information

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

Austral Bowling Club Limited
Corner 8th and Edmondson Avenue
AUSTRAL NSW 2179

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Directors' Declaration


The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 21, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2020 and of the performance for the year ended on that date of the Company.
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.

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

Director

Terrance Hooper

Director

Kenneth Williams

Dated 30 April 2021



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ACCOUNTING & BUSINESS SPECIALISTS

Austral Bowling Club Limited

Independent Audit Report to the members of Austral Bowling Club Limited

Report on the Audit of the Financial Report

Qualified Opinion

We have audited the financial report of Austral Bowling Club Limited (the Company), which comprises the statement of financial position as at 31 December 2020, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Qualified Opinion

We did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31 December 2020, which are stated in the statements of financial position at \$30,829.

As a result, we were unable to determine the existence and completeness of inventory on hand and whether any adjustments might have been found necessary in respect of recorded or unrecorded inventories and accounts receivable, and the elements making up the statement of profit or loss, statement of changes in equity and statement of cash flows as at 31 December 2020.

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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 - Reduced Disclosure Requirements and the *Corporations Act 2001* and



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Independent Audit Report to the members of Austral Bowling Club Limited

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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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



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Independent Audit Report to the members of Austral Bowling Club Limited

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Fitzpatrick + Robinson
Certified Practising Accountants

Warwick Anthony Fitzpatrick
Director

Suite 1003, 31C Lasso Road Gregory Hills NSW 2557
Dated this 30th day of April 2021.