

Austral Bowling Club Limited

ABN 67 000 485 218

Financial Statements

For the Year Ended 31 December 2023

Austral Bowling Club Limited

ABN 67 000 485 218

Contents

For the Year Ended 31 December 2023

	Page
Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	24
Independent Audit Report	25

Austral Bowling Club Limited

ABN 67 000 485 218

Directors' Report 31 December 2023

The directors present their report on Austral Bowling Club Limited for the financial year ended 31 December 2023.

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
Terrance Hooper - President	3	2020
Kenneth Williams - Treasurer	3	2020
Matt Pannowitz - Vice President	3	2020
Wayne Crompton	3	2020
Julieanna Cairns	1	2022
William Shaw	6	2017

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

Review of operations

The surplus of the Company amounted to \$ 2,523,366. (2022: \$1,753,310)

Principal activities

The principal activity of Austral Bowling Club Limited during the financial year was the operation of a Registered Club.

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

Short term objectives

The Company's short term objectives are to:

- Increase Club membership to 7,000 by the end of 2024;
- Implement a staff training plan to ensure the highest level of customer service for the Club; and
- Continue to improve and promote entertainment options that will make the Club a destination venue.

Long term objectives

The Company's long term objectives are to:

- Build brand recognition for Club Austral and Austral Eagles in the ever-growing local community;
- Invest in Club facilities by way of new building and renovation of existing building; and
- Maintain and increase business profitability to secure the Club's future in the community as a standalone Club.

Austral Bowling Club Limited

ABN 67 000 485 218

Directors' Report

31 December 2023

1. General information

Strategy for achieving the objectives

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

- Submission of a DA to Liverpool Council to build a new Alfresco Area and Children's Play Area that will provide an extra 150 seats for food, beverage and functions along with a destination venue for families in our community;
- Maintain high service quality across all operational areas of the business that will match and exceed our members and communities' expectations; and
- Continual investment into facilities and equipment to improve business growth and performance.

Performance measures

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

- Maintain a quarterly EBITDA of 25% or higher to ensure a healthy cashflow;
- Membership growth; and
- Employee retention.

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 2023 the collective liability of members was \$ 30,040 (2022: \$ 24,820).

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

ABN 67 000 485 218

Directors' Report

31 December 2023

Meetings of directors

During the financial year, 12 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
Terrance Hooper - President	12	12
Matt Pannowitz - Vice President	12	11
Kenneth Williams - Treasurer	12	11
William Shaw	12	11
Julieanna Cairns	12	12
Wayne Crompton	12	12

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 2023 has been received and can be found on page 4 of the financial report.

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

Director:
Terrance Hooper - President

Director:
Kenneth Williams - Treasurer

Dated 30 April 2024

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 2023, 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.

[Enter place of signing]

Austral Bowling Club Limited

ABN 67 000 485 218

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	4	7,086,170	5,567,849
Finance income	5	94,398	2,233
Other income	4	407,688	223,569
Bar Purchases		(627,075)	(462,634)
Employee benefits expense		(1,094,997)	(958,429)
Depreciation and amortisation expense		(573,931)	(502,610)
Other operating expenses		(2,753,064)	(2,101,435)
Directors' related expenses		(15,823)	(15,233)
Surplus before income tax		2,523,366	1,753,310
Income tax expense		-	-
Surplus from continuing operations		2,523,366	1,753,310
Surplus for the year		2,523,366	1,753,310
Other comprehensive income, net of income tax			
Increment in asset revaluation reserve		1,520,000	220,000
Other comprehensive income for the year, net of tax		1,520,000	220,000
Total comprehensive income for the year		4,043,366	1,973,310

The accompanying notes form part of these financial statements.

Austral Bowling Club Limited

ABN 67 000 485 218

Statement of Financial Position

As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	4,978,208	1,662,182
Trade and other receivables	7	33,329	5,201
Inventories	8	45,325	57,722
Other financial assets		1,000,000	2,000,000
Other assets	11	29,709	36,245
TOTAL CURRENT ASSETS		<u>6,086,571</u>	<u>3,761,350</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	11,000,943	9,273,485
Intangible assets	10	349,376	349,376
TOTAL NON-CURRENT ASSETS		<u>11,350,319</u>	<u>9,622,861</u>
TOTAL ASSETS		<u>17,436,890</u>	<u>13,384,211</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	534,686	482,670
Borrowings	13	45,171	60,228
Employee benefits	14	115,692	98,167
TOTAL CURRENT LIABILITIES		<u>695,549</u>	<u>641,065</u>
NON-CURRENT LIABILITIES			
Borrowings	13	-	45,171
TOTAL NON-CURRENT LIABILITIES		<u>-</u>	<u>45,171</u>
TOTAL LIABILITIES		<u>695,549</u>	<u>686,236</u>
NET ASSETS		<u>16,741,341</u>	<u>12,697,975</u>
EQUITY			
Reserves		5,635,566	4,115,566
Retained earnings		11,105,775	8,582,409
TOTAL EQUITY		<u>16,741,341</u>	<u>12,697,975</u>

The accompanying notes form part of these financial statements.

Austral Bowling Club Limited

ABN 67 000 485 218

Statement of Changes in Equity For the Year Ended 31 December 2023

2023

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2023	8,582,409	4,115,566	12,697,975
Surplus for the year	2,523,366	-	2,523,366
Total other comprehensive income for the period	-	1,520,000	1,520,000
Balance at 31 December 2023	11,105,775	5,635,566	16,741,341

2022

	Retained Earnings	Asset Revaluation Surplus	Total
	\$	\$	\$
Balance at 1 January 2022	6,829,099	3,895,566	10,724,665
Surplus for the year	1,753,310	-	1,753,310
Total other comprehensive income for the period	-	220,000	220,000
Balance at 31 December 2022	8,582,409	4,115,566	12,697,975

The accompanying notes form part of these financial statements.

Austral Bowling Club Limited

ABN 67 000 485 218

Statement of Cash Flows

For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	27,815,637	18,802,304
Payments to suppliers and employees	(4,405,723)	(3,148,339)
Gaming payouts	(20,341,135)	(13,457,767)
Interest received	74,040	2,233
Interest paid	(165)	-
Net cash provided by/(used in) operating activities	<u>3,142,654</u>	<u>2,198,431</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	30,476	-
Purchase of property, plant and equipment	(796,876)	(1,963,609)
Transfers to/ from term deposits	1,000,000	(986,332)
Net cash provided by/(used in) investing activities	<u>233,600</u>	<u>(2,949,941)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(60,228)	(60,228)
Net cash provided by/(used in) financing activities	<u>(60,228)</u>	<u>(60,228)</u>
Net increase/(decrease) in cash and cash equivalents held	3,316,026	(811,738)
Cash and cash equivalents at beginning of year	1,662,182	2,473,920
Cash and cash equivalents at end of financial year	<u>6</u> <u>4,978,208</u>	<u>1,662,182</u>

The accompanying notes form part of these financial statements.

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

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 - Simplified Disclosures and the *Corporations Act 2001*.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue recognition policy for contracts which are either not enforceable or do not have sufficiently specific performance obligations

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

Grant Income

Revenue in the scope of AASB 1058 is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

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 straight line basis over the expected life of the contract.

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.

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Statement of financial position balances relating to revenue recognition

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.

Provisions relating to contracts with customers

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

Financing component of contracts with customers

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

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(d) Inventories

Inventories 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, which is the deemed cost.

(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.

Land and buildings

Land and buildings are measured using the revaluation model.

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 asset's 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	2% - 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).

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(f) Financial instruments

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

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

Amortised cost

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

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

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

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, bank and other loans and lease liabilities.

(g) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Notes to the Financial Statements

For the Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(g) Impairment of non-financial assets

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(h) Intangible assets

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(i) 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.

(j) Leases

The Company has chosen not to apply AASB 16 to leases of intangible assets.

(k) Employee benefits

Provision is made for the Company's liability for employee benefits, those 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

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.

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.

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

3 Critical Accounting Estimates and Judgments

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) carried at fair value was 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 provides information on inputs and techniques to determine valuation.

4 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15) - At a Point in Time		
- Gaming income	5,667,284	4,549,207
- Bar	1,309,994	939,386
- Membership fees	39,517	39,123
- Bowls income (men & ladies)	69,375	31,645
	<u>7,086,170</u>	<u>5,559,361</u>
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Government Grants (Job Keeper and Job Saver)	-	8,488
	<u>-</u>	<u>8,488</u>
Total Revenue	<u><u>7,086,170</u></u>	<u><u>5,567,849</u></u>

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
Other Income		
- Insurance claims	-	64,080
- Club grant allocation	185,025	-
- Other income	207,674	156,080
- net gain on disposal of property, plant and equipment	14,989	3,409
	<u>407,688</u>	<u>223,569</u>

5 Finance Income and Expenses

Finance income

	2023	2022
	\$	\$
Interest income		
- Assets measured at amortised cost	94,398	2,233
Total finance income	<u>94,398</u>	<u>2,233</u>

6 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash at bank and in hand	4,978,208	1,662,182
	<u>4,978,208</u>	<u>1,662,182</u>

7 Trade and Other Receivables

	2023	2022
	\$	\$
CURRENT		
Trade receivables	2,044	-
	<u>2,044</u>	<u>-</u>
Deposits	5,000	5,000
Other receivables	26,285	201
Total current trade and other receivables	<u>33,329</u>	<u>5,201</u>

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

8 Inventories

	2023	2022
	\$	\$
CURRENT		
At cost:		
Finished goods	45,325	57,722
	<u>45,325</u>	<u>57,722</u>

Write downs of inventories to net realisable value during the year were \$ NIL (2022: \$ NIL).

9 Property, plant and equipment

	2023	2022
	\$	\$
Leasehold land		
At fair value	6,500,000	4,980,000
Total Land	<u>6,500,000</u>	<u>4,980,000</u>
Buildings		
At cost	5,252,727	5,099,429
Accumulated depreciation	(2,247,309)	(2,029,418)
Total buildings	<u>3,005,418</u>	<u>3,070,011</u>
Total land and buildings	<u>9,505,418</u>	<u>8,050,011</u>
PLANT AND EQUIPMENT		
Capital works in progress		
At cost	92,349	15,350
Total capital works in progress	<u>92,349</u>	<u>15,350</u>
Plant and equipment		
At cost	1,762,794	1,454,925
Accumulated depreciation	(1,214,039)	(1,088,991)
Total plant and equipment	<u>548,755</u>	<u>365,934</u>
	2023	2022
	\$	\$
Motor vehicles		
At cost	121,378	127,950
Accumulated depreciation	(45,403)	(33,608)
Total motor vehicles	<u>75,975</u>	<u>94,342</u>
Poker Machines		
At cost	1,765,115	1,753,990
Accumulated depreciation	(1,273,169)	(1,292,642)
Total Poker Machines	<u>491,946</u>	<u>461,348</u>

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

9 Property, plant and equipment

Bowling Greens At cost	286,500	286,500
Total Bowling Greens	286,500	286,500
Total plant and equipment	1,495,525	1,223,474
Total property, plant and equipment	11,000,943	9,273,485

(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:

	Capital Works in Progress	Land	Buildings	Plant and Equipment
	\$	\$	\$	\$
Year ended 31 December 2023				
Balance at the beginning of year	15,350	4,980,000	3,070,010	365,934
Additions	76,999	-	206,807	254,417
Disposals	-	-	-	-
Depreciation expense	-	-	(219,900)	(115,167)
Revaluation increase	-	1,520,000	-	-
Balance at the end of the year	92,349	6,500,000	3,056,917	505,184

	Motor Vehicles	Poker Machines	Bowling Greens	Total
	\$	\$	\$	\$
Year ended 31 December 2023				
Balance at the beginning of year	94,342	461,348	286,500	9,273,484
Additions	-	255,940	-	794,163
Disposals	-	(7,395)	-	(7,395)
Depreciation expense	(18,367)	(222,867)	-	(576,301)
Revaluation increase	-	-	-	1,520,000
Balance at the end of the year	75,975	487,026	286,500	11,003,951

(b) Fair Value Measurement

The Company measures the following property, plant and equipment at fair value on a recurring basis:

Property, plant and equipment

Buildings

Basis for determining value

Valuations obtained from the Valuer General in which the NSW Government uses in determining the council rates

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

10 Intangible Assets

	2023	2022
	\$	\$
Poker Machine Entitlements Cost	349,376	349,376
Net carrying value	349,376	349,376
Total Intangible assets	349,376	349,376
Total Intangible assets	349,376	349,376

11 Other non-financial assets

	2023	2022
	\$	\$
CURRENT Prepayments	29,709	36,245
	29,709	36,245

12 Trade and Other Payables

	2023	2022
	\$	\$
CURRENT		
Trade payables	142,550	126,985
GST payable	137,196	85,248
Sundry payables and accrued expenses	167,029	237,822
Other payables	87,911	32,615
	534,686	482,670

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.

13 Borrowings

	2023	2022
	\$	\$
CURRENT		
Secured liabilities:		
Lease liability secured	45,171	60,228
Total current borrowings	45,171	60,228

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

13 Borrowings

	2023	2022
	\$	\$
Lease liability secured	-	45,171
	-	45,171
Total non-current borrowings	-	45,171
Total borrowings	45,171	105,399

14 Employee Benefits

	2023	2022
	\$	\$
Current liabilities		
Long service leave	54,385	44,655
Annual leave	61,307	53,512
	115,692	98,167

15 Reserves

(a) Asset revaluation reserve

The asset revaluation reserve records fair value movements on property, plant and equipment held under the revaluation model as well as fair value movement recognised from the poker machine entitlements.

16 Financial Risk Management

	2023	2022
	\$	\$
Financial assets		
Held at amortised cost		
Cash and cash equivalents	4,978,208	1,662,182
Trade and other receivables	33,329	5,201
Total financial assets	5,011,537	1,667,383
Financial liabilities		
Financial liabilities measured at amortised cost	579,857	588,068
Total financial liabilities	579,857	588,068

Derecognition of financial assets

There are no derecognition of financial assets that occurred during the year.

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements For the Year Ended 31 December 2023

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 outstanding obligations of the Company. At 31 December 2023 the number of members was 6,008 (2022: 4,964).

18 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Company is \$ 145,536 (2022: \$ 145,106). The key management personnel of the Company is Karen Butler, General Manager of the Club

19 Auditors' Remuneration

	2023	2022
	\$	\$
Remuneration of the auditor, Fitzpatrick + Robinson, for:		
- auditing the financial statements	20,004	20,004
Total	20,004	20,004

Compilation of financial statements and accounting services have been provided by the Accounting Division.

20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2023 (31 December 2022: None).

21 Related Parties

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

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether exclusive or otherwise) of that entity are considered as key management personnel.

Key management personnel of the Company during the year were as follows:

- President;
- Vice-President;
- Treasurer;
- Board Directors; and
- General Manager.

For remuneration paid to key management personnel, refer to Note 18.

Austral Bowling Club Limited

ABN 67 000 485 218

Notes to the Financial Statements

For the Year Ended 31 December 2023

21 Related Parties

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

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

Other than remuneration paid to key management personnel, there are no related party transactions identified during the year.

22 Events after the end of the Reporting Period

The financial report was authorised for issue on 15 April 2024 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.

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

Austral Bowling Club Limited

ABN 67 000 485 218

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 23, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 31 December 2023 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 - President

Director
Kenneth Williams - Treasurer

Dated 15 April 2024

Austral Bowling Club Limited

Independent Audit Report to the members of Austral Bowling Club Limited

Report on the Audit of the Financial Report

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 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of 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 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Regulations 2001*.

Basis for Opinion

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

We 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 opinion.

Other Information

The directors are responsible for the other information. Our opinion on the financial report does not cover the 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 on the other information obtained prior to the date of this auditor's report, 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 Directors for the Financial Report

Austral Bowling Club Limited

Independent Audit Report to the members of Austral Bowling Club Limited

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 - 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 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.

Austral Bowling Club Limited

Independent Audit Report to the members of Austral Bowling Club Limited

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.

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.

Location