

LIDCOMBE BOWLING CLUB LTD

ABN 78 778 596 486

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED

31ST MAY 2023

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

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FOR THE YEAR ENDED 31 MAY 2023

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LIDCOMBE BOWLING CLUB LTD
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DIRECTORS' REPORT

Your directors present this report on the entity for the financial year ended 31 May 2023.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Name:	Occupation:	Position:	Years of Service:	Appointed/resigned
Victor J Tagg	Businessman	Director	2	Appointed 01/11/2020
Gregory I Reeves	Software Engineer	Treasurer	4	Resigned 25/09/2023
Stuart A Mercier	Administrator	Secretary	< 1 year	Appointed 17/03/2023
Matthew P Whalan	Driver	Director	4	Appointed 22/09/2019
Stephen Leehy	Truck Driver	Director	< 1 year	Appointed 19/03/2023
David R Lester	Retired	Director	7	Resigned December 2022
Gavin Mitchell	Maintenance Manager	Director	< 1 year	Appointed 19/03/2023
Tony Oldfield	Factory worker	Director	< 1 year	Appointed 19/03/2023
James D Phillips	Building Manager	Director	< 1 year	Appointed 19/03/2023
Ken Wallace	Retired Public Servant	President	4	Resigned December 2022
Paul Ferreira	Police Administration	Director	5	Resigned December 2022
Paul D Redolfi	Retired	Director	< 1 year	Resigned December 2022

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 the company during the period was that of a Licensed Club providing sporting and other recreational activities for members and members' guests according to the Constitution.

Short-term and Long-term Objectives

The objectives of the club are to operate in a responsible and financially prudent manner with the aim of enhancing membership benefits and contributing to the local community.

The turnover of the club, must at all times, be more than expenditure to ensure that all accounts are paid on time, including all staff payments.

The company's short-term and long objectives include :

Short Term

- Provide the best possible facilities to members
- Encourage new memberships
- Monitor audit trails to minimise any possible theft
- Improve profitability and efficiency of club operations
- To operate within key performance indicators for our size club
- Strengthen long term financial stability for the club
- Establish new income streams

Long Term

- Ensure facilities cater to the future long-term needs of members and the community
- Improve the building, bowling green and surrounds to the highest club standards
- Develop strategies (such as the issue of unsecured notes) to ensure that all investment properties are retained into the future
- Solidify the club as the principal lawn bowling venue for this general area

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DIRECTORS' REPORT (continued)

Short-term and Long-term Objectives (continued)

Strategies for achieving the objectives

The club is currently in the process of renovations to improve the venue as a desirable location for members and visitors. The renovations include a commercial kitchen in order to offer regular daily meals and to establish catering for special functions. New and updated furniture and fittings are being installed and all ageing facilities are being progressively updated.

The club will continue to review and upgrade facilities to increase patronage and trade.

Review and results of operations

The net profit for the year amounted to \$38,062.14 (2022 net loss \$72,759.79).

This resulted after charging \$93,425.00 for depreciation/amortisation and before charging \$0.00 for income tax.

Performance measures and key performance indicators

The club measures and monitors performance by comparing actual monthly results to budgets and past performance.

The club reviews key performance indicators (KPIs) such as membership numbers, gross profit margins, and trading results of key areas such as bar, food and poker machine operations.

The club strives to achieve a suitable level of performance based on benchmark data for the club industry. In particular, the level of performance is based on benchmarks appropriate for the small club sector.

Meetings of Directors

During the financial year, 12 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings:	
	Number eligible to attend	Number attended
Victor J Tagg	12	12
Gregory I Reeves	12	12
Stuart A Mercier	3	3
Matthew P Whalan	12	11
Stephen Leehy	3	3
David R Lester	7	3
Gavin Mitchell	5	5
Tony Oldfield	3	2
James D Phillips	5	4
Ken Wallace	7	7
Paul Ferreira	7	7
Paul Redolfi	7	3

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 \$1 each towards meeting any outstanding obligations of the Company in the event of the winding up of the Company during the time that they are a member.

As at 31 May 2023, the total amount that members of the Company are liable to contribute if the Company is wound up is \$275.00 (2022: \$447.00).


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DIRECTORS' REPORT (continued)

Auditor's Independence Declaration

The lead Auditor's Independence Declaration for the year ended 31 May 2023 has been received and can be found on page 4 of the financial report.

This Directors' report is signed in accordance with a resolution of the Board of Directors.



.....
Victor J Tagg
President



.....
Gavin Mitchell
Director

Dated this 10th day of October, 2023.

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF LIDCOMBE BOWLING CLUB LTD**

I declare that, to the best of my knowledge and belief, during the year ended 31 May 2023 there have been:

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



JOHN G OEHLERS
CHARTERED ACCOUNTANT

Dated this 10th day of October, 2023.

LIDCOMBE BOWLING CLUB LTD
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MAY 2023

	Note	2023 \$	2022 \$
Revenue	2	577,424.79	301,605.44
Other income	2	331,716.70	345,651.59
Total Revenue		<u>909,141.49</u>	<u>647,257.03</u>
Expenses			
Accountancy fees		(4,951.21)	(12,703.30)
Advertising & promotions		(13,074.88)	(15,260.50)
Audit fees		(5,000.00)	0.00
Cost of sales		(150,183.00)	(116,016.41)
Depreciation & amortisation expense		(93,425.00)	(76,679.00)
Directors' Fees & expenses		(1,226.22)	(2,836.65)
Employment expenses		(230,249.67)	(214,570.56)
Finance costs		(39,154.05)	(24,018.44)
Greens maintenance		(40,487.42)	(40,709.81)
Insurance		(34,323.76)	(29,552.64)
Bowls expenses		(10,736.62)	(6,439.55)
Poker machine expenses		(21,770.71)	(19,767.54)
Rental property expenses		(62,010.08)	(59,488.33)
Repairs & maintenance		(16,146.54)	(8,300.00)
Utilities		(35,919.38)	(23,191.08)
Other expenses		(112,420.81)	(70,481.01)
Total operating expenses		<u>(871,079.35)</u>	<u>(720,014.82)</u>
Total Profit/(Loss) before income tax		38,062.14	(72,757.79)
Income tax expense	1(h)	0.00	0.00
Profit/(Loss) for the year		<u>38,062.14</u>	<u>(72,757.79)</u>
Other comprehensive income for the year			
Items that will not be reclassified subsequently to profit or loss:			
Gains on revaluation of investment properties to fair value	7	0.00	0.00
Total other comprehensive income/(loss) for the year		<u>0.00</u>	<u>0.00</u>
Total comprehensive income/(loss) for the year		<u>38,062.14</u>	<u>(72,757.79)</u>
Net current year surplus/(deficit) attributable to members of the entity		<u>38,062.14</u>	<u>(72,757.79)</u>
Total comprehensive income/(loss) attributable to members of the entity		<u>38,062.14</u>	<u>(72,757.79)</u>

The accompanying notes form part of these financial statements.

LIDCOMBE BOWLING CLUB LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	3	102,499.31	83,800.41
Inventories	4	11,606.24	14,683.36
Trade and other Debtors	5	8,936.83	17,098.38
TOTAL CURRENT ASSETS		<u>123,042.38</u>	<u>115,582.15</u>
NON-CURRENT ASSETS			
Property, plant & equipment	6	4,163,949.09	4,205,575.04
Investments	7	6,347,250.00	6,347,250.00
TOTAL NON-CURRENT ASSETS		<u>10,511,199.09</u>	<u>10,552,825.04</u>
TOTAL ASSETS		<u>10,634,241.47</u>	<u>10,668,407.19</u>
LIABILITIES			
CURRENT LIABILITIES			
Payables	8	55,889.49	67,510.05
Provisions	9	1,074.59	18,609.74
Borrowings	10	380,338.72	343,711.48
Other	11	1,341.74	14,989.00
TOTAL CURRENT LIABILITIES		<u>438,644.54</u>	<u>444,820.27</u>
NON-CURRENT LIABILITIES			
Provisions	9	8,171.45	10,516.61
Borrowings	10	519,005.45	567,382.42
Other	11	0.00	15,330.00
TOTAL NON-CURRENT LIABILITIES		<u>527,176.90</u>	<u>593,229.03</u>
TOTAL LIABILITIES		<u>965,821.44</u>	<u>1,038,049.30</u>
NET ASSETS		<u>9,668,420.03</u>	<u>9,630,357.89</u>
EQUITY			
Retained profits		9,441,170.03	9,403,107.89
Reserves		227,250.00	227,250.00
TOTAL EQUITY		<u>9,668,420.03</u>	<u>9,630,357.89</u>

The accompanying notes form part of these financial statements.

LIDCOMBE BOWLING CLUB LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Retained Earnings \$	Revaluation Surplus	Total \$
Balance at 1 June 2021	<u>9,475,865.68</u>	<u>227,250.00</u>	<u>9,703,115.68</u>
Total comprehensive income for the year			
Profit/(Loss) attributable to members	(72,757.79)	0.00	(72,757.79)
Other comprehensive income for the year	0.00	0.00	0.00
Total comprehensive income for the year attributable to members of the entity	<u>(72,757.79)</u>	<u>0.00</u>	<u>(72,757.79)</u>
Balance at 31 May 2022	<u><u>9,403,107.89</u></u>	<u><u>227,250.00</u></u>	<u><u>9,630,357.89</u></u>
Balance at 1 June 2022	<u>9,403,107.89</u>	<u>227,250.00</u>	<u>9,630,357.89</u>
Comprehensive income for the year			
Profit/(Loss) attributable to members	38,062.14	0.00	38,062.14
Other comprehensive income for the year	0.00	0.00	0.00
Total comprehensive income/(loss) for the year attributable to members of the entity	<u>38,062.14</u>	<u>0.00</u>	<u>38,062.14</u>
Balance at 31 May 2023	<u><u>9,441,170.03</u></u>	<u><u>227,250.00</u></u>	<u><u>9,668,420.03</u></u>

The accompanying notes form part of these financial statements.

LIDCOMBE BOWLING CLUB LTD
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2023

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members, customers and grants		652,019.61	422,481.25
Receipts from government stimulus		0.00	20,100.00
Payments to suppliers and employees		<u>(718,768.46)</u>	<u>(549,928.24)</u>
Net cash (used in)/generated from operating activities		<u>(66,748.85)</u>	<u>(107,346.99)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(51,799.00)	(56,453.37)
Net rental receipts on investment property		<u>195,111.80</u>	<u>191,645.67</u>
Net cash provided by/(used in) investing activities:		<u>143,312.80</u>	<u>135,192.30</u>
Cash flows from financing activities			
Finance costs		(39,154.05)	(24,018.44)
Net repayment of borrowings		<u>(18,711.00)</u>	<u>(17,874.10)</u>
		<u>(57,865.05)</u>	<u>(41,892.54)</u>
Net increase/(decrease) in cash held		18,698.90	(14,047.23)
Cash at the beginning of the financial year		<u>83,800.41</u>	<u>97,847.64</u>
Cash at the end of the financial year	3	<u><u>102,499.31</u></u>	<u><u>83,800.41</u></u>

The accompanying notes form part of these financial statements.

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 1: Summary of Significant Accounting Policies

The financial statements cover Lidcombe Bowling Club Ltd (the company) as an individual entity. Lidcombe Bowling Club Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements are in Australian Dollars.

The financial statements were authorised for issue on 10 October 2023 by the Directors of the company.

Accounting Policies

a. Revenue

Revenue is recognised when the entity gains control, economic benefits are probable and the amount of the revenue can be measured reliably.

- Donations are recognised as revenue when received.
- Interest income is recognised when received.
- Revenue from the sale of goods is recognised at the point the goods are provided.
- Revenue from the rendering of a service is recognised when the services are provided.
- Membership subscriptions paid in advance are initially recognised as a liability. Revenue is recognised on a straight-line basis over the membership period.

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

b. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

c. Trade and other receivables

Trade and other receivables include amounts due from members as well as amounts receivable from customers for goods or services rendered. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 1: Summary of Significant Accounting Policies (continued)

d. Inventories

Inventories held for sale are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

e. Provisions

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

f. Goods and Services Tax (GST)

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

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

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

g. Income Tax

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

h. Going concern

As at 31 May 2023, the company had a net current asset deficiency of \$315,602.16. Based on expected future cash flows, the Directors are of the view that the entity will be able to satisfy its liabilities as and when they fall due and will continue as a going concern.

i. Provision for 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 have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 1: Summary of Significant Accounting Policies (continued)

j. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the reporting period and which are unpaid. Trade and other payables are recognised at their transaction price. The carrying values are considered to be a reasonable approximation of the fair values. The amounts are unsecured and are obligations on the basis of normal trade terms.

k. Property, Plant & Equipment

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

Freehold property

Land and buildings are shown at cost less subsequent depreciation for buildings.

Plant and equipment

Plant and equipment are measured on a cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in profit or loss.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and plant and equipment but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.50%
Plant and equipment	7.5% - 20%

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

LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 1: Summary of Significant Accounting Policies (continued)

k. Property, Plant & Equipment (continued)

Depreciation (continued)

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

l. Investment Property

Investment properties are shown at fair value based on a valuation conducted by the directors to ensure that the carrying amount of the properties is not materially different to the fair value.

m. Leases

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

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease.

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

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 1: Summary of Significant Accounting Policies (continued)

n. Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. With the exception of minor reclassifications between certain financial statement line items, comparatives are consistent with prior years, unless otherwise stated.

o. Critical Accounting Estimates and Judgements

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on historical knowledge and best available current information at the time of preparing the financial statements. However as additional information is known then the actual results may be substantially different.

The significant estimates and judgements made have been described below:

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. The useful lives could change significantly to those estimated due to technical obsolescence.

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash generating units, based on expected future cash flows utilising an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates, pay increases and inflation have been taken into account.

Receivables

Management have reviewed the receivables at reporting date to determine whether there is any objective evidence that any of the receivables are impaired. Where the receivable is not considered collectible, an allowance for the expected credit losses is included.

Inventories

Management estimates the net realisable values of inventories based on the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

	2023 \$	2022 \$
Note 2: Revenue from Ordinary Activities		
From operating activities		
Bar Trading	300,348.32	176,024.02
Gaming	246,094.78	104,850.06
Catering & other sales	30,493.57	20,429.55
Bowls merchandise sales	488.12	301.81
	<u>577,424.79</u>	<u>301,605.44</u>
Other revenue:		
Advertising revenue	0.00	1,818.18
Commissions	0.00	28.47
Functions & hall hire	12,786.10	2,495.02
Grants received - Government	0.00	56,869.24
Green fees	4,994.85	5,538.14
Insurance recovery	30,174.73	0.00
Sundry income	519.10	575.62
Raffle income	21,758.46	14,701.32
Sponsorships	45.45	5,636.36
Membership fees	4,316.13	6,855.24
	<u>74,594.82</u>	<u>94,517.59</u>
Revenue from investments		
Gross rental income	<u>257,121.88</u>	<u>251,134.00</u>
Total revenue and other income	<u><u>909,141.49</u></u>	<u><u>647,257.03</u></u>

Note 3: Cash and cash equivalents

Reconciliation of Cash

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Cash at bank	42,595.67	47,748.16
Cash floats and cash on hand	59,903.64	36,052.25
	<u>102,499.31</u>	<u>83,800.41</u>

Note 4: Inventories

Held for sale in the ordinary course of business - at cost	<u>11,606.24</u>	<u>14,683.36</u>
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LIDCOMBE BOWLING CLUB LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

	2023 \$	2022 \$
Note 5: Trade and Other Debtors		
Trade Debtors	496.80	6,617.00
Net GST receivable	3,615.04	5,656.39
Other Debtors	4,824.99	4,824.99
	<u>8,936.83</u>	<u>17,098.38</u>
Note 6: Property, Plant & Equipment		
Freehold Land at cost	3,203,374.00	3,203,374.00
	<u>3,203,374.00</u>	<u>3,203,374.00</u>
Buildings at cost	1,969,669.81	1,953,028.76
Accumulated depreciation	(1,064,484.43)	(1,014,188.43)
	<u>905,185.38</u>	<u>938,840.33</u>
Plant & Equipment at cost	319,742.89	245,164.89
Accumulated depreciation	(264,353.18)	(205,894.18)
	<u>55,389.71</u>	<u>39,270.71</u>
Right-of-use assets at cost	0.00	39,420.00
Accumulated depreciation	0.00	(15,330.00)
	<u>0.00</u>	<u>24,090.00</u>
Total property, plant & equipment	<u>4,163,949.09</u>	<u>4,205,575.04</u>

LIDCOMBE BOWLING CLUB LTD

ABN 78 778 596 486

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

Note 6: Property, Plant & Equipment (continued)

Movements in Carrying Amounts:

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land & Improvements	Buildings	Plant & Equipment	Right-of-use Assets
2022	\$	\$	\$	\$
Balance at the beginning of the year	3,203,374.00	270,444.57	49,484.43	37,230.00
Additions at cost	0.00	0.00	4,557.28	0.00
Disposals	0.00	0.00	0.00	0.00
Transfers in/(out)	0.00	717,163.76	0.00	0.00
Depreciation expense	0.00	(48,768.00)	(14,771.00)	(13,140.00)
Carrying amount at the end of the year	<u>3,203,374.00</u>	<u>938,840.33</u>	<u>39,270.71</u>	<u>24,090.00</u>

	Work In Progress	Total
2022	\$	\$
Balance at the beginning of the year	665,267.67	4,225,800.67
Additions at cost	51,896.09	56,453.37
Disposals	0.00	0.00
Transfers in/(out)	(717,163.76)	0.00
Depreciation expense	0.00	(76,679.00)
Carrying amount at the end of the year	<u>0.00</u>	<u>4,205,575.04</u>

	Land & Improvements	Buildings	Plant & Equipment	Right-of-use Assets
2023	\$	\$	\$	\$
Balance at the beginning of the year	3,203,374.00	938,840.33	39,270.71	24,090.00
Additions at cost		16,641.05	35,158.00	0.00
Disposals	0.00	0.00	0.00	0.00
Transfers in/(out)	0.00	0.00	24,090.00	(24,090.00)
Depreciation expense	0.00	(50,296.00)	(43,129.00)	0.00
Carrying amount at the end of the year	<u>3,203,374.00</u>	<u>905,185.38</u>	<u>55,389.71</u>	<u>0.00</u>

	Total
	\$
Balance at the beginning of the year	4,205,575.04
Additions at cost	51,799.05
Disposals	0.00
Transfers in/(out)	0.00
Depreciation expense	(93,425.00)
Carrying amount at the end of the year	<u><u>4,163,949.09</u></u>

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

	2023 \$	2022 \$
Note 7: Investments		
Investment property at fair value	<u>6,347,250.00</u>	<u>6,347,250.00</u>
<p>The investment properties were revalued to fair market value by the Directors at 31 May 2021 by reference to comparable sales of similar properties in the same block as the investment properties held. This valuation resulted in a revaluation increment of \$227,250 being recognised in the revaluation surplus for the year ended 31 May 2021.</p> <p>At 31 May 2023, the Directors have reviewed the fair market value utilising the same criteria as that adopted in the prior year and do not believe there has been a significant change in value. They believe the carrying amount of the properties reflects the fair value less costs of disposal at 31 May 2023.</p>		
Note 8: Payables		
Trade Creditors	32,077.00	23,912.07
Accrued expenses	<u>23,812.49</u>	<u>43,597.98</u>
	<u>55,889.49</u>	<u>67,510.05</u>
Note 9: Provision for employee benefits		
Current		
Provision for Annual Leave	<u>1,074.59</u>	<u>18,609.74</u>
Non-Current		
Provision for Long service leave	<u>8,171.45</u>	<u>10,516.61</u>
Note 10: Borrowings		
Current		
Bank loans	55,338.72	18,711.48
Other	<u>325,000.00</u>	<u>325,000.00</u>
	<u>380,338.72</u>	<u>343,711.48</u>
Non-current		
Bank loans	<u>519,005.45</u>	<u>567,382.42</u>
	<u>519,005.45</u>	<u>567,382.42</u>

The Club's bank loan is an ANZ Business Mortgage Loan for a facility amount of \$700,000.00. The 30-year facility was fully drawn down on 12 April 2017 and expires on 12 April 2047. A variable interest applies and repayments are monthly. The carrying amount as at 31 May 2023 was \$574,344.17 (2022: \$586,093.90).

The following properties are held as security for the ANZ Business Mortgage Loan:

- Unit 31/1-9 Mark Street, Lidcombe, NSW 2141
- Unit 34/1-9 Mark Street, Lidcombe, NSW 2141

LIDCOMBE BOWLING CLUB LTD

ABN 78 778 596 486

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

	2023 \$	2022 \$
Note 11: Other Liabilities		
Current		
Membership subscriptions in advance	1,341.74	1,849.00
Lease liability	0.00	13,140.00
	<u>1,341.74</u>	<u>14,989.00</u>
Non-current		
Lease liability	0.00	15,330.00
	<u>0.00</u>	<u>15,330.00</u>

Note 12: Key Management Personnel (KMP) *continued*

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

The totals of remuneration paid to KMP of the entity during the year are as follows:

KMP compensation	54,083.73	94,506.50
Directors' honorariums	0.00	350.00
	<u>54,083.73</u>	<u>94,856.50</u>

Note 13: Contingent Liabilities

The Company has no contingent liabilities at 31 May 2023.

Note 14: Related Party Transactions

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

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

	2023 \$	2022 \$
Mr. David R. Lester - labour provided for renovations	<u>6,889.68</u>	<u>10,823.12</u>

Note 15: Post balance date events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has 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.

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

Note 16: Future developments

There are no significant future developments that the Board is aware of, as at the date of this report.

Note 17: Company Details

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

Lidcombe Bowling Club Ltd
3 James St
Lidcombe NSW 2141

Note 18: Environmental issues

The Club's operations are subject to environmental regulations under the laws of the Commonwealth and the State of NSW. The Directors are not aware of any breaches of the legislation during the financial year.

Note 19: Disclosure Requirements under Section 41E of the Registered Clubs Act

Core Property

Pursuant to Sec 41J (2) of the Registered Clubs Act 1976, the classification of property held by the Company as at the end of the financial year is as follows:

Core Property: 3 James St, Lidcombe NSW 2141

Current usage: Clubhouse (licensed premises), Bowling Green and Member's carpark.

Core property is any real property owned or occupied by the Club that comprises:

- The defined premises of the Club; or
- Any facility provided by the Club for the use of its members and their guests: or

Non-core property is any other property other than that referred to above as core property and any other property which is declared by members at a general meeting of ordinary members of the Club not to be core property.

The non-core properties of the Club are :

- | | |
|----------------------------------|--------------------------------|
| ● 32/1-9 Mark Street, Lidcombe * | ● 55/1-9 Mark Street, Lidcombe |
| ● 34/1-9 Mark Street, Lidcombe * | ● 57/1-9 Mark Street, Lidcombe |
| ● 40/1-9 Mark Street, Lidcombe | ● 64/1-9 Mark Street, Lidcombe |
| ● 42/1-9 Mark Street, Lidcombe | ● 71/1-9 Mark Street, Lidcombe |
| ● 50/1-9 Mark Street, Lidcombe | (* Mortgaged) |

Note 20: 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 \$1 each towards meeting any outstanding obligations of the Company in the event of the winding up of the Company during the time that they are a member. At 31 May 2023, the number of members was 275 (2022: 447).

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

	2023	2022
	\$	\$
Note 21: Auditors remuneration		
Remuneration of the Auditor:		
- audit or reviewing the financial statements	8,800.00	0.00
- other services	<u>11,150.00</u>	<u>0.00</u>
Total auditor's remuneration	<u><u>19,950.00</u></u>	<u><u>0.00</u></u>

LIDCOMBE BOWLING CLUB LTD


ABN 78 778 596 486

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of the Lidcombe Bowling Club Ltd, the Directors declare that:

- 1 The financial statements and notes, as set out on pages 4 to 14, are in accordance with the Corporations Act 2001 and:
 - a. comply with Australian Accounting Standards; and
 - b. give a true and fair view of the financial position of the Company as at 31 May 2023 and of its performance for the year ended on that date.
- 2 In the Directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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



.....
Victor J Tagg
Director



.....
Gavin Mitchell
Director

Dated this 10th day of October, 2023.

LIDCOMBE BOWLING CLUB LTD.
ABN 78 778 596 486

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LIDCOMBE BOWLING CLUB LTD**

Opinion

I have audited the financial report of Lidcombe Bowling Club Ltd (the company), which comprises the statement of financial position as at 31 May 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my 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 May 2023 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for-Profit and Not-for-Profit Tier 2 Entities and the Corporations Regulations 2001 and the Corporations Regulations 2001.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the entity 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 May 2023 but does not include the financial report and our auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

LIDCOMBE BOWLING CLUB LTD.
ABN 78 778 596 486

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LIDCOMBE BOWLING CLUB LTD**

Responsibilities of the Directors and Management for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – AASB 1060: General Purpose Financial Statements – Simplified Disclosures for-Profit and Not-for-Profit Tier 2 Entities and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity'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 Responsibility for the Audit of the Financial Report

My objective is 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

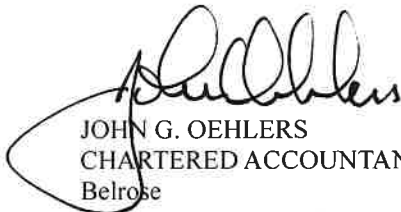
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- 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 my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

LIDCOMBE BOWLING CLUB LTD.
ABN 78 778 596 486

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LIDCOMBE BOWLING CLUB LTD**

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the company or business activities within the company to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the entity audit. I remain solely responsible for my audit opinion.
- I 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 I identify during my audit.



JOHN G. OEHLERS
CHARTERED ACCOUNTANT
Belrose

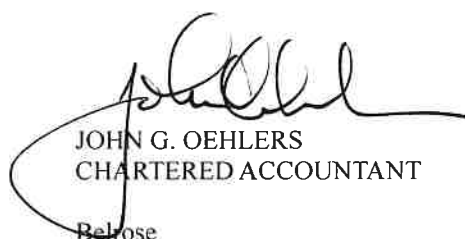
Dated this 10th day of October 2023

LIDCOMBE BOWLING CLUB LTD

ABN 78 778 596 486

DISCLAIMER

The additional financial data presented on pages 25 to 27 is in accordance with the books and records of the Company which have been subjected to the review procedures applied in my statutory review of the company for the year ended 31 May 2023. It will be appreciated that my statutory review did not cover all details of the additional financial data. Accordingly, I do not express an opinion on such financial data and I give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Lidcombe Bowling Club Ltd) in respect of such data, including any errors of omissions therein however caused.



JOHN G. OEHLERS
CHARTERED ACCOUNTANT
Belrose

Dated this 10th day of October, 2023.

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MAY 2023

	2023	2022
	\$	\$
TRADING INCOME		
Bar Trading	300,348.32	176,024.02
Gaming - Net Revenue	246,094.78	104,850.06
Catering & other sales	30,493.57	20,429.55
Bowls merchandise sales	488.12	301.81
TOTAL TRADING INCOME	<u>577,424.79</u>	<u>301,605.44</u>
COST OF SALES		
Opening stock	14,683.36	13,337.78
Purchases	147,105.88	117,361.99
Closing Stock	(11,606.24)	(14,683.36)
TOTAL COST OF SALES	<u>150,183.00</u>	<u>116,016.41</u>
GROSS PROFIT	<u>427,241.79</u>	<u>185,589.03</u>
OTHER OPERATING INCOME		
Advertising revenue	0.00	1,818.18
Commissions	0.00	28.47
Function fees & room hire	12,786.10	2,495.02
Government Grants	0.00	15,000.00
Green Fees	4,994.85	5,538.14
Insurance recovery	30,174.73	0.00
JobKeeper Subsidy	0.00	20,100.00
Membership fees	4,316.13	6,855.24
Other Grants	0.00	21,769.24
Raffle income	21,758.46	14,701.32
Sponsorships	45.45	5,636.36
Sundry income	519.10	575.62
TOTAL OTHER INCOME	<u>74,594.82</u>	<u>94,517.59</u>
TOTAL INCOME	501,836.61	280,106.62
EXPENDITURE		
Operating Expenses as per Expenditure Statement	658,886.27	544,510.08
LOSS FROM OPERATIONS	<u>(157,049.66)</u>	<u>(264,403.46)</u>
ADD		
Net rental income as per Rental statement	195,111.80	191,645.67
NET PROFIT/(LOSS)	<u><u>38,062.14</u></u>	<u><u>(72,757.79)</u></u>

The accompanying notes form part of the financial statements

LIDCOMBE BOWLING CLUB LTD**ABN 78 778 596 486****INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

	2023	2022
	\$	\$
DETAILED EXPENDITURE		
Accountancy	4,951.21	12,703.30
Advertising & promotions	13,074.88	15,260.50
Audit fees	5,000.00	0.00
Bank charges	2,557.38	1,899.97
Bar expenses	3,614.88	4,923.71
Bowls expenses	10,736.62	6,439.55
Catering Expenses	26,182.55	3,070.67
Cleaning	5,431.94	4,325.99
Computer/IT expenses	3,869.30	3,902.05
Contractors & Consultants	3,944.10	0.00
Council and Water rates - Club	8,143.92	6,373.63
Depreciation expense	93,425.00	76,679.00
Directors' fees & expenses	1,226.22	2,836.65
Electricity & gas	23,926.37	13,427.11
Entertainment expenses	7,150.26	19,406.00
Filing fees & licences	3,306.52	810.93
Insurance	29,096.52	28,016.84
Insurance Workers' Compensation	5,227.24	1,535.80
Interest expense	39,154.05	24,018.44
Keno expenses	2,661.85	2,032.41
Land tax	5,737.10	4,517.20
Poker machine expense	21,770.71	19,767.54
Postage, stationery & office	3,992.10	3,553.94
Provision for employee benefits	(19,880.31)	9,487.35
Repairs & maintenance	56,633.96	49,009.81
Security	1,943.50	1,001.14
Staff amenities & training	3,253.82	4,870.67
Subscriptions & registrations	12,078.72	1,070.30
Sundry expenses	2,540.30	199.69
Superannuation	23,166.70	18,492.29
Telephone, & internet	3,849.09	3,390.34
Trophies and Raffles	24,156.49	14,896.34
Wages	226,963.28	186,590.92
TOTAL OPERATING EXPENSES	658,886.27	544,510.08

The accompanying notes form part of the financial statements

LIDCOMBE BOWLING CLUB LTD
ABN 78 778 596 486

RENTAL PROPERTY INCOME AND EXPENDITURE STATEMENT

FOR THE YEAR ENDED 31 MAY 2023

	2023	2022
INCOME	\$	\$
Rents received	257,121.88	251,134.00
Total Income	<u>257,121.88</u>	<u>251,134.00</u>
 EXPENDITURE		
Management agent fees	14,989.89	15,776.76
Rates & taxes	22,366.74	16,151.49
Sundry rental expenses	24,653.45	27,560.08
Total expenses	<u>62,010.08</u>	<u>59,488.33</u>
Net rental income	<u>195,111.80</u>	<u>191,645.67</u>

The accompanying notes form part of the financial statements

