

ANNUAL REPORT 2023



GWANDALAN
BOWLING CLUB

your community club

2023 Chairpersons Report

Dear Members,

On behalf of the Board of Directors, it is with pleasure that I submit for your consideration the Annual Report and Financial Statement for the year ending 30th June 2023.

Like the rest of the hospitality industry, we have faced extraordinary challenges in the last financial year with cost of living pressures, staff shortages and uncertain gaming reforms.

As you can see from the Annual Report the Club traded at a net loss of \$145,199. Despite this loss, the Club has experienced increased revenues by 73% to \$5,588,220; healthy working capital and positive cashflows and rest assured your club remains in a sound financial position.

Your Board has worked extremely hard this year constantly reviewing and re-evaluating our Strategic & Business Plans and ensuring we are compliant in all aspects of Corporate Governance and transparency. We are very confident of a bright future for Gwandalan Bowling Club.

In regard to the land across the road from Gwandalan Bowling Club, this is again under review following the termination of the

agreement due to time and costs. Commercial options for this land are being reviewed that will benefit the Club now and into the future and you will be updated on any progress as it comes to hand.

We have recently completed the renovation of the Foreshore Bistro & Café during the quieter months of the year. The reopening of this space with new furniture and updated décor has been well received and proving to be popular beyond our expectations.

Your Club again continues to support the community that supports them. This year we donated over \$25,000 in cash and in-kind support to many worthwhile causes. This type of support is often overlooked when reading the bottom line in the Annual report, but we feel that this is an important part of being a community club and we will continue supporting the local community.

Many thanks to our associated clubs including Women's Bowls, Golf, Darts, Pool, and Fishing for your continued support. You are all an important part of the Club.

On behalf of the Board of Directors, thank you to our Chief Executive Officer Mr Steve Rigney and his team for their dedication throughout the year. To the Bowls

Office, thank you for your efforts in an often-thankless job.

I would like to make a special mention of the great work by the Social Committee. Your work and dedication to the Club though the organising of the raffles, bingo, hundred club is tremendous and very much appreciated.

I will take this time to reflect on our members who have sadly passed away this year. My sympathy also goes out to our members who have lost loved ones during the year. My best wishes for a speedy recovery go to those who are ill, and I hope that we see you back at the Club in the near future.

In closing. I must take this opportunity to acknowledge and thank my wife Christina and my family who have supported me during the year. Finally, to all members, thank you for your loyalty and patronage. You are what we are all about and you can be assured that your Board will continue to work hard to give you many reasons to be a proud member of Gwandalan Bowling Club.

Regards



Trevor Bales
Chairman

2023 Chief Executive Officers Report

On behalf of the Board of Directors, it gives me pleasure to present the Gwandalan Bowling Club's Annual Report for the period ending 30 June 2023.

The Club in 2022/23 operated at full capacity as opposed to the previous year with COVID shutdowns and restricted trading and is working hard to alleviate the losses experienced. This financial year however, the Club has experienced cost of living pressures, staff shortages and uncertainty around gaming reforms. Despite these pressures the Club increased it's revenue by 73% to \$5,588,220; continues to have a healthy working capital of \$1,036,898 and a positive cashflow of \$235,510 (910% on 2022/23). The Club did record a net loss of **\$145,199.00** a gain compared to the \$683,319 loss from the previous year. Despite this loss, the Club remains in a sound financial position.

As we head into 2023/24 Gwandalan Bowling Club continues to look for ways to strengthen the balance sheet and diversify in such a way that ensures the sustainability of our objects and our ongoing role/support of the community. The Club has recently completed renovations on the Foreshore Bistro and Café, providing a fresh, clean Hamptons look to this area and

providing relaxed lounges for coffee and cake and casual dining options. The catering team have worked hard with new menus providing exceptionally delicious meals that remain value for money.

The dedication of your Board of Directors in providing their time, knowledge, and support to your Club deserves heartfelt appreciation. This past year presented its challenges, yet they consistently applied their expertise in a professional manner, each bringing their unique contributions to the table.

Your Board of Directors and Management have been continuing to set strategies that will enable the Club to produce positive results and ensure financial sustainability of the Club. The land owned by the Club on the corner of Gamban Road and Aldinga Road is again under review for development projects following the termination of the existing agreement to build aged living apartments. The Board are working diligently on many commercial options that will benefit the Club now and into the future. We will update all members on this progress with more information in due course.

To our Club staff, thank you for your support and diligence during this last year. Despite the tough

challenges you have worked together seamlessly as a team and continue to offer the exceptional customer service in all areas of the business.

The Club continues to make a meaningful contribution to the community. We have a long and proud tradition of supporting, not only the sport of lawn bowls, but also a diverse range of local community groups and charities. This year we have sponsored Gwandalan / Summerland Point Cobras, Ronald McDonald House, Lions Club of Gwandalan Inc, Gwandalan View Club, and many more local charities and organisations. In fact, we donated over **\$25,000.00 in cash and in-kind support** to our local community, a number that is quite often overlooked when reading the Annual Report and we continue to support our community through these tough economic times.

To our helpers and Sub Clubs, thanks for another year of your ongoing support. We look forward to working with you again in 2023/24 as you are all very important to Gwandalan Bowling Club. Congratulations to your respective committees for their continued hard work and I ask all members to support and join any of our Sub Clubs.

Most importantly I wish to thank you, the members for your continued support and ongoing commitment

to our Club. We have the best Club on the coast but without you we have nothing. There is still a lot of work that needs to be done and to move forward with sustainable growth, members need to be positive, our culture needs to be positive, and we need to embrace change for the betterment of the Club to ensure that Gwandalan Bowling Club remains a respected, enjoyed and integral community asset.

To those members who have lost loved ones throughout the year, we offer our sincere condolences to you and your families.

As always, we look forward to continuing to provide you with a Club that you can be proud of throughout 2023/24, so please forward any suggestions or comments in writing to enable us to do this.

All the best in the coming year and I look forward to seeing you at Gwandalan Bowling Club.

Regards

A handwritten signature in black ink, appearing to read 'Steve Rigney', with a stylized flourish at the end.

Steve Rigney
Chief Executive Officer

Gwandalan Bowling Club Limited

ABN: 37001069914

Financial Statements

For the year ended 30 June 2023

Gwandalan Bowling Club Limited

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Gwandalan Bowling Club Limited

Directors' report

30 June 2023

The directors present their report on Gwandalan Bowling Club Limited for the financial year ended 30 June 2023.

Information on directors

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

Mr Trevor Bales

Occupation	Retired Operations and logistics manager
Position	Chairman

Mr Ian Wall

Occupation	Retired head clerk
Position	Director

Mr John Brown

Occupation	Small business owner
Position	Vice chairman

Mr Robert Gooch

Occupation	Retired tradesperson
Position	Director

Mr Rick Smith

Occupation	Self employed mechanic
Position	Director

Mr Colin Beggs

Occupation	Retired contact manager
Position	Director - ceased February 2023

Mr Stewart Hardingham

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

Gwandalan Bowling Club Limited

Directors' report

30 June 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:

	Number eligible to attend	Number attended
Mr Trevor Bales	12	12
Mr Colin Beggs	8	4
Mr Ian Wall	12	12
Mr Robert Gooch	12	11
Mr Rick Smith	12	10
Mr John Brown	12	10
Mr Stewart Hardingham	12	11

Principal activities

The principal activities of Gwandalan Bowling Club Limited during the financial year were:

- Operation of bowling greens
- Running of the club for the benefit of the members and the community

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

Operating results

The profit/(loss) of the Company after providing for income tax amounted to (\$145,199) (2022: \$683,320)

Review of operations

The club has operated at full capacity for the financial year, as opposed to being closed due to Covid 19 lockdowns for 15 weeks in the comparative year. Although the club has an overall loss of \$145,199, the positive cashflows from operating activities are reflective of the increased sales and provision of member services.

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

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.

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

Gwandalan Bowling Club Limited

Directors' report
30 June 2023

to result in unreasonable prejudice to the Company.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Gwandalan Bowling Club Limited.

Auditor's Independence Declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2023 has been received and is included in the financial report.

Signed in accordance with a resolution of the Board of directors.



Mr Trevor Bales
Director

Dated: 13 September 2023

Mr Ian Wall
Director



Auditor's independence declaration to the directors of Gwandalan Bowling Club Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023, there have been:

- no contraventions of the auditor independence requirements as set out in section 307C of the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Reassurance Audit Services Pty Ltd

Reassurance Audit Services Pty Ltd

Mark Walmsley

Mark Walmsley

Partner

Date: 6 September 2023

16 Dunbar St Stockton NSW 2295,

Gwandalan Bowling Club Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	5	5,582,921	3,239,344
Finance income	6	885	1,972
Other income	5	8,334	38,736
Total income		5,592,140	3,280,052
Changes in inventories of finished goods and work in progress		(206)	1,996
Purchases		(1,207,298)	(661,765)
Depreciation and amortisation		(316,745)	(324,958)
Employee benefit expenses		(2,058,176)	(1,303,009)
Finance expenses	6	(1,596)	(838)
Bad debts written off		(1,900)	-
Other expenses		(2,151,418)	(1,674,797)
Total expenses		(5,737,339)	(3,963,371)
Profit (loss) before income taxes		(145,199)	(683,319)
Income tax		-	-
Profit (loss) from continuing operations		(145,199)	(683,319)
Profit (loss) for the year		(145,199)	(683,319)
Total comprehensive income for the year		(145,199)	(683,319)

The accompanying notes form part of these financial statements.

Gwandalan Bowling Club Limited

Statement of financial position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	7	1,454,538	713,688
Trade and other receivables	8	37,239	51,978
Inventories	10	55,471	55,677
Other financial assets	9	6,066	1,022,184
Other assets	12	20,208	17,794
Total current assets		1,573,522	1,861,321
Non-current assets			
Property, plant and equipment	11	4,615,952	4,436,807
Right-of-use assets	13	166,731	200,077
Total non-current assets		4,782,683	4,636,884
Total assets		6,356,205	6,498,205
Liabilities			
Current liabilities			
Trade and other payables	14	310,564	307,597
Employee benefits	15	153,172	155,999
Lease liabilities	13	72,888	77,285
Total current liabilities		536,624	540,881
Non-current liabilities			
Employee benefits	15	19,156	6,853
Lease liabilities	13	219,328	224,177
Total non-current liabilities		238,484	231,030
Total liabilities		775,108	771,911
Net assets		5,581,097	5,726,294
Equity			
Retained earnings		5,581,097	5,726,294

The accompanying notes form part of these financial statements.

Gwandalan Bowling Club Limited

Statement of changes in equity
For the year ended 30 June 2023

	Retained earnings	Total	Total equity
2022	\$	\$	\$
Opening balance	6,409,615	6,409,615	6,409,615
Profit for the year	(683,319)	(683,319)	(683,319)
Closing balance	5,726,296	5,726,296	5,726,296
2023	\$	\$	\$
Opening balance	5,726,296	5,726,296	5,726,296
Profit for the year	(145,199)	(145,199)	(145,199)
Closing balance	5,581,097	5,581,097	5,581,097

The accompanying notes form part of these financial statements.

Gwandalan Bowling Club Limited

Statement of cash flows

For the year ended 30 June 2023

	2023	2022
	\$	\$
Cash flows from operating activities:		
Receipts from customers	5,588,220	3,214,546
Payments to suppliers and employees	(5,361,100)	(3,326,272)
Interest received	885	1,917
Receipts from government grants	17,773	91,675
Interest paid	(10,268)	(10,811)
Net cash flows from/(used in) operating activities	235,510	(28,945)
Cash flows from investing activities:		
Proceeds from sale of plant and equipment	21,173	5,500
Purchase of property, plant and equipment	(522,708)	(193,102)
Payment for investments	-	(2,041)
Disposal of investments	1,016,118	-
Net cash provided by/(used in) investing activities	514,583	(189,643)
Cash flows from financing activities:		
Repayment of borrowings	(9,243)	(84,258)
Net increase/(decrease) in cash and cash equivalents	740,850	(302,846)
Cash and cash equivalents at beginning of year	713,688	1,016,534
Cash and cash equivalents at end of financial year	1,454,538	713,688

The accompanying notes form part of these financial statements.

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

1. Introduction

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

The principal activities of the Company for the year ended 30 June 2023 were the provision of bowling club for the benefit of the members and the community.

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

Comparatives are consistent with prior years, unless otherwise stated.

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191 and accordingly amounts in the financial statements and have been rounded to the nearest dollar.

2. 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.

3. Summary of significant accounting policies

a. Income tax

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

b. Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

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.

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

d. 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.

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.

e. 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).

i. Financial assets

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

Classification

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

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

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

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

interest rate method less provision for impairment.

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

Impairment of financial assets

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

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

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.

Trade receivables and contract assets

Impairment of trade receivables and contract assets 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 contract asset 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.

ii. 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.

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

f. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2023, refer to the Change in accounting policy note, for details of the changes due to standards adopted.

4. Critical accounting estimates and judgements

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

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

The significant estimates and judgements made have been described below.

a. 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.

b. Key estimates - revenue recognition

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

Bar revenue - recognised on delivery of product to customer

Poker machine revenue - recognised net of payouts

Commissions - recognised on accruals basis

c. Key estimates - inventory

Each item on inventory is reviewed on an annual basis to determine whether it is being carried at higher than its net realisable value. During the year, management have written down inventory based on best estimate of the net realisable value, although until the time that inventory is sold this is an estimate.

5. Revenue and other income

a. Accounting policy

i. 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

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

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.

ii. Other income

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

iii. Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

b. Revenue from continuing operations

	2023	2022
	\$	\$
Revenue from contracts with customers (AASB 15)		
Sale of goods	5,144,104	2,846,399
Member subscriptions	36,734	33,882
Other revenue from contracts with customers	379,345	262,343
	5,560,183	3,142,624
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
Donations	4,965	5,045
Government revenue (including grants)	17,773	91,675
	22,738	96,720
	5,582,921	3,239,344

c. Other income

	2023	2022
	\$	\$
Net gain on disposal	8,452	-
Other income		
Insurance Recoveries	-	30,474
Sundry Income	(118)	8,262
Total Other income	(118)	38,736
	8,334	38,736

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

6. Finance income and expenses

Finance income	2023	2022
	\$	\$
Interest income		
Other interest income	885	1,972
	885	1,972
Finance expenses	2023	2022
	\$	\$
Interest expense	1,596	838

7. Cash and cash equivalents

a. Accounting policy

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.

b. Cash and cash equivalent details

	2023	2022
	\$	\$
Cash at bank	1,357,019	622,511
Cash on hand	97,519	91,177
	1,454,538	713,688

c. Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

	2023	2022
	\$	\$
Cash and cash equivalents	1,454,538	713,688

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

8. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	11,828	12,450
Other trade and other receivables		
Deposits	5,193	8,102
Other Miscellaneous	16,564	18,090
Interest Receivable	-	547
Payroll Tax	-	9,209
ATM Rebates	3,654	3,580
Total Other trade and other receivables	25,411	39,528
	37,239	51,978

9. Other financial assets

Current	2023	2022
	\$	\$
Other financial assets	6,066	1,022,184

10. Inventories

a. Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. 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.

b. Inventory details

Current	2023	2022
	\$	\$
At cost		
Other inventories		
Stock on Hand - Main Bar	41,346	43,737
Stock on Hand - Men's Bowling Club	7,980	5,672
Stock on Hand - Greens	6,145	6,268
Total Other inventories	55,471	55,677
	55,471	55,677

11. Property, plant and equipment

a. Accounting policy

Each class of property, plant and equipment is carried at cost or fair value less, where applicable,

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

any accumulated depreciation and impairment.

i. Land and buildings

Land and buildings are measured using the revaluation model.

ii. Plant and equipment

Plant and equipment are measured using the revaluation model.

iii. Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the asset's useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	Useful life
Land	Indefinite
Buildings	40 years
Plant and equipment	5 to 20 years
Motor vehicles	8 years

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.

When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit or loss.

b. Property, plant and equipment details

Summary	2023	2022
	\$	\$
Land	321,513	321,513
Buildings, leasehold improvements and other	3,320,079	3,310,350
Plant and equipment	973,966	804,494
Motor vehicles	394	450
	4,615,952	4,436,807

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

2022	Land \$	Buildings \$	Plant and equipmen t \$	Motor vehicles \$	Leasehol d improvem ents \$	Other property, plant and equipmen t \$	Total \$
As at 30 June 2022							
At Cost	321,513	643,929	2,952,869	91,130	4,213,971	323,549	8,546,961
Accumulated depreciation	-	(384,069)	(2,148,375)	(90,680)	(1,346,863)	(140,167)	(4,110,154)
	321,513	259,860	804,494	450	2,867,108	183,382	4,436,807

2023	Land \$	Buildings \$	Plant and equipmen t \$	Motor vehicles \$	Leasehol d improvem ents \$	Other property, plant and equipmen t \$	Total \$
Opening balance	321,513	259,860	804,494	450	2,867,108	183,382	4,436,807
Additions	-	-	415,742	-	105,325	1,641	522,708
Disposals	-	-	(105,662)	(39,299)	-	-	(144,961)
Depreciation	-	(7,978)	(219,452)	(56)	(77,941)	(11,318)	(316,745)
Write back accumulated depreciation on disposals	-	-	78,844	39,299	-	-	118,143
Closing balance	321,513	251,882	973,966	394	2,894,492	173,705	4,615,952

As at 30 June 2023							
At cost	321,513	643,928	3,262,953	51,831	4,319,295	325,190	8,924,710
Accumulated depreciation	-	(392,047)	(2,288,985)	(51,437)	(1,424,804)	(151,485)	(4,308,758)
	321,513	251,881	973,968	394	2,894,491	173,705	4,615,952

12. Other assets

Current	2023 \$	2022 \$
Other assets		
Prepayments	20,208	17,794

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

13. Leases

a. Accounting policy

At inception of a contract, the Company assesses whether a lease exists.

i. Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

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

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

b. Company as a lessee

The Company has leases over a range of assets including land and buildings, vehicles, machinery and IT equipment.

i. Terms and conditions of leases

The company has the following leases in place:

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

Poker machines - leases with Aristocrat

Land - lease with Central Coast Council

Coffee Machine - lease with Hennessy Coffee

ii. Right-of-use assets

2023	Land \$	Total \$
Opening balance	200,077	200,077
Depreciation charge	(33,346)	(33,346)
Closing balance	166,731	166,731

iii. Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	2023 \$	2022 \$
< 1 year	72,888	77,285
1 - 5 years	219,328	224,177
Total undiscounted lease liabilities	292,216	301,462
Lease liabilities included in the statement of financial position	292,216	301,462

iv. Statement of profit or loss and other comprehensive income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2023 \$	2022 \$
Interest expense on lease liabilities	8,672	9,973
Depreciation of right-of-use assets	33,346	31,609

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

14. Trade and other payables

Current	2023	2022
	\$	\$
Trade payables	147,777	102,775
GST payable	69,167	122,599
Accrued expenses	13,637	12,991
Other trade and other payables	79,983	69,232
	310,564	307,597

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.

15. Employee benefits

a. Accounting policy

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, plus related on-costs.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

i. Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

b. Employee benefit details

Current	2023	2022
	\$	\$
Long service leave	39,167	63,685
Annual leave	110,642	89,972
Personal leave	3,363	2,342
	153,172	155,999

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

Non-current	2023	2022
	\$	\$
Long service leave	19,156	6,853

16. Financial risk management

Financial assets	2023	2022
	\$	\$
Held at amortised cost		
Cash and cash equivalents	1,454,538	713,688
Trade and other receivables	37,239	51,978
	1,491,777	765,666

Financial liabilities	2023	2022
	\$	\$
Accounts payable and other payables	310,564	307,597
Lease liabilities	292,215	301,462
	602,779	609,059

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 \$2.20 each towards meeting any outstanding obligations of the Company. At 30 June 2023 the number of members was 4,366 (2022: 3,731).

18. Contingencies

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

19. Related parties

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

The remuneration paid to key management personnel of the Company is \$156,152 (2022: \$138,712).

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

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

The following transactions occurred with related parties:

Gwandalan Bowling Club Limited

Notes to the financial statements

For the year ended 30 June 2023

Other related parties	Purchases
	\$
Be Social Smart - entity controlled by CEO's wife	6,914

The CEO's daughter is employed by the club on the same award rates and conditions as other staff.

20. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	\$	\$
Loss for the year	(145,199)	(683,319)
Add / (less) non-cash items:		
(Profit) / loss on sale of assets	5,644	55,104
Loss on impairment of assets	-	148,504
Depreciation and amortisation	350,091	356,567
Changes in assets and liabilities:		
(increase) / decrease in receivables and other debtors	14,739	(26,670)
(increase) / decrease in inventories	206	(1,995)
(increase) / decrease in other prepayments	(2,414)	7,900
increase / (decrease) in payables and other payables	2,967	90,328
increase / (decrease) in employee benefits	9,476	24,637
Cash flows from operations	235,510	(28,944)

21. Events occurring after the reporting date

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.

22. Statutory information

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

Gwandalan Bowling Club Limited
68-76 Gamban Road
GWANDALAN NSW Australia
2259

Gwandalan Bowling Club Limited

Directors' declaration

The directors of the Company declare that:

The financial statements and notes for the year ended 30 June 2023 are in accordance with the *Corporations Act 2001* and:

- comply with Australian Accounting Standards - Simplified Disclosures; and
- give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Company.

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 with the continuing support of creditors.

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



Mr Trevor Bales
Director

Dated: 13 September 2023

Mr Ian Wall
Director



Independent audit report to the members of Gwandalan Bowling Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Gwandalan Bowling Club Limited (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements and the Directors' declaration.

In our opinion, the accompanying financial report of the Company for the year ended 30 June 2023 is prepared, in all material respects, in accordance with the Corporations Act 2001 and Australian Accounting Standards - Simplified Disclosures, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (ii) that the financial records kept by the company are such as to enable financial statements to be prepared in accordance with Australian Accounting Standards.

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 Entity in accordance with the auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

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

Reassurance Audit Services Pty Ltd

Reassurance Audit Services Pty Ltd

Mark Walmsley

Mark Walmsley

Partner

Dated: 13 September 2023

16 Dunbar St Stockton NSW 2295,

Gwandalan Bowling Club Limited

Detailed profit or loss statement
For the year ended 30 June 2023

Description	2023	2022
	\$	\$
Detail profit or loss		
Income		
Sale of goods	5,144,104	2,846,399
Member subscriptions	36,734	33,882
Other revenue from contracts with customers	379,345	262,343
Donations	4,965	5,045
Government revenue (including grants)	17,773	91,675
Interest income	885	1,972
Net gain on disposal	8,452	-
Other income	(118)	38,736
Total income	5,592,140	3,280,052
Expenses		
Changes in inventories of finished goods and work in progress	(206)	1,996
Raw materials and consumables used	(1,207,298)	(661,765)
Depreciation expenses	(316,745)	(324,958)
Salary and wage expenses	(1,644,291)	(1,031,196)
Superannuation contributions	(193,278)	(120,819)
Other employee benefit expenses	(220,607)	(150,994)
Interest expense	(1,596)	(838)
Bad debts	(1,900)	-
Auditor's remuneration	(13,200)	(5,700)
Other administrative expenses	(119,624)	(97,200)
Marketing expenses	(199,856)	(167,765)
Repairs and maintenance	(1,250)	(600)
Other occupancy costs	(283,800)	(210,768)
Impairment of non-financial assets	-	(148,504)
Interest expense on lease liabilities	(8,672)	(9,973)
Depreciation of right-of-use assets	(33,346)	(31,609)
Insurance	(122,910)	(92,212)
Donations	(14,069)	(4,650)
Net loss on disposal	(14,096)	(55,104)
Other expenses	(1,340,595)	(850,712)
Total expenses	(5,737,339)	(3,963,371)
Profit(loss) before income taxes	(145,199)	(683,319)