

# Scotts Head Bowling & Recreation Club Ltd

ABN: 85 001 056 775

## Financial Statements

For the year ended 30 June 2024

# Scotts Head Bowling & Recreation Club Ltd

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# Scotts Head Bowling & Recreation Club Ltd

## Chairperson's Report

I would like to thank all members and visitors for their support during these current times of increased cost of living pressures and their impacts on the community.

The Club like several small clubs and local businesses, has seen a downturn in income impact on the Club's operations.

In an attempt to minimise these impacts, the current Board has been concentrating its efforts in improving the Club in the areas of financial management, business governance, facility maintenance and regulatory compliance. This has resulted in many hours of Directors' time being spent reviewing & documenting procedures, reviewing financial records or up a ladder repairing the building. I thank all Directors for their efforts.

In addition, the work of the previously elected Board should be acknowledged for the improvements and upgrades made to the Club facilities via the utilisation of eligible Government grant funding.

Despite some earlier obstacles, the Club's entire staff should be commended for their efforts and commitment in keeping the Club functioning.

As we have numerous individuals with suggestions and opinions on the Club's operations, may I suggest that we harness that energy and all work together to ensure the Club's ongoing longevity.

Julie Kay  
Chairperson

A handwritten signature in cursive script that reads "Julie Kay". The signature is written in black ink and is positioned to the right of the printed name and title.

# Scotts Head Bowling & Recreation Club Ltd

## Directors' report

30 June 2024

The Directors present their report on Scotts Head Bowling & Recreation Club Ltd for the financial year ended 30 June 2024.

### Information on Directors

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

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#### Julie Kay

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Qualifications	Administrator
Experience	Previous Director
Special responsibilities	Chairperson from 29 December 2023
Appointed	12 November 2023

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#### Michael Reardon

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Qualifications	Retired State Government Executive
Special responsibilities	Deputy Chairperson from 12 November 2023
Appointed	12 November 2023

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#### Victor Mankin

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Qualifications	Business Owner
Experience	Previous Director
Appointed	23 October 2016

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#### Lynette Narris

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Qualifications	Retired Accountant
Experience	Previous Director
Appointed	3 October 2023

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#### Gregory Herbert

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Qualifications	Retired Concrete Developer
Appointed	3 October 2023

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#### John Palmer

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Qualifications	Retired Marine Engineer
Appointed	12 November 2023

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#### Nicole Gray

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Qualifications	Naturopath
Appointed	24 January 2024

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# Scotts Head Bowling & Recreation Club Ltd

## Directors' report

30 June 2024

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### Colin Moore

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Qualifications	Handyman
Experience	Previous Director
Appointed	3 October 2023
Resigned	19 December 2023

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### Nathan Evelyn

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Qualifications	Semi-Retired Manager
Experience	Previous Director
Special responsibilities	Chairperson from 3 October to 29 December 2023
Appointed	3 October 2023
Resigned	29 December 2023

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### Laura Peisley

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Qualifications	Teacher
Experience	Previous Director
Special responsibilities	Chairperson until 17 July 2023
Appointed	25 October 2020
Resigned	17 July 2023

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### Melissa Gilmour

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Qualifications	Human Resources
Experience	Previous Director
Appointed	5 December 2021
Resigned	15 September 2023

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### Carmen Kerr

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Qualifications	Self Employed
Experience	Previous Director
Appointed	5 December 2021
Resigned	18 September 2023

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### Bianca Hussey

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Experience	Previous Director
Appointed	25 May 2023
Resigned	18 September 2023

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# Scotts Head Bowling & Recreation Club Ltd

## Directors' report

30 June 2024

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### Mitchell Neil

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Qualifications	Carpenter
Experience	Previous Director
Appointed	13 May 2022
Resigned	12 October 2023

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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.

### Meetings of Directors

During the financial year, 16 meetings of Directors were held.

Attendances by each Director during the year were as follows:

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	Number eligible to attend	Number attended
Julie Kay	12	12
Michael Reardon	12	10
Victor Mankin	16	12
Lyn Narris	14	14
Greg Herbert	13	8
John Palmer	12	12
Nicole Gray	9	7
Colin Moore	3	1
Nathan Evelyn	3	3
Laura Peisley	1	1
Melissa Gilmour	2	1
Carmen Kerr	2	-
Bianca Hussey	2	2
Mitchell Neil	2	2

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### Principal activities

The principal activity of Scotts Head Bowling & Recreation Club Ltd during the financial year was to operate as a Registered Sporting and Recreation Club.

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

# Scotts Head Bowling & Recreation Club Ltd

## Directors' report

30 June 2024

### Objectives and strategies

The Company's short term and long term objectives focus on:

- The delivery and development of profitable, desirable facilities and services to members and guests; and
- The growth and development of the profitability of the Club's operating areas and Sub-Clubs; and
- The growth of membership and the number of guests.

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

- Grow the existing business and increase revenue on operating activities whilst controlling and minimising related expenses; and
- Defend market share by investing in appropriate technology available within expenditure constraints; and
- Monitor cash flows to enable funding of forecast business activity and plans; and
- Enable staff to maintain up to date capabilities and qualifications.

### Performance measures

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

- The level of commercial activity of the key operating areas and Sub-Clubs; and
- The level of profit/(loss) generated by each of the key operating areas and Sub-Clubs; and
- EBITDA and working capital, solvency and liquidity ratios; and
- Improvement to the Club's facilities and services.

### Operating results

The (loss)/profit of the Company for the year amounted to (\$21,984) (2023: Profit \$926,935)

### Property Classification

In accordance with the Registered Club's Amendment Regulations 2007, the Board has previously determined that the Club's entire property is considered core property as defined in the relevant Acts and Regulations.

# Scotts Head Bowling & Recreation Club Ltd

## Directors' report

30 June 2024

### Members Guarantee

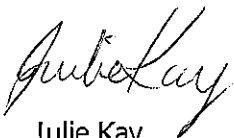
Scotts Head Bowling & Recreation Club Ltd is a company limited by guarantee. In the event of, and for the purpose of, winding up the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up is limited to \$2, subject to the provisions of the Company's constitution.

At 30 June 2024 the collective liability of members was \$3,008 (2023: \$1,848).

### 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 2024 has been received and can be found on page 8 of the financial report.

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



Julie Kay  
Chairperson

Dated: 21 October 2024



Michael Reardon  
Deputy Chairperson



## Auditor's independence declaration

### To the Directors of Scotts Head Bowling & Recreation Club Ltd:

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2024, 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.

A handwritten signature in cursive script that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in cursive script that reads 'Angela Holladay'.

Angela Holladay

Director

Nambucca Heads NSW,

21 October 2024

#### MACKSVILLE

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under Professional Standards Legislation.

# Scotts Head Bowling & Recreation Club Ltd

## Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	5	1,898,388	2,668,204
Other income	5	142,445	137,901
<b>Total income</b>		<b>2,040,833</b>	<b>2,806,105</b>
Raw materials and consumables used		(552,035)	(493,319)
Depreciation and amortisation		(291,711)	(254,869)
Employee benefit expenses		(609,626)	(541,677)
Finance expenses	6	(5,869)	(9,343)
Impairment losses on receivables		(9,630)	-
Other expenses		(593,946)	(579,962)
<b>Total expenses</b>		<b>(2,062,817)</b>	<b>(1,879,170)</b>
Income tax	3.a	-	-
<b>Profit (loss) from continuing operations</b>		<b>(21,984)</b>	<b>926,935</b>
<b>Total comprehensive income for the year</b>		<b>(21,984)</b>	<b>926,935</b>

The accompanying notes form part of these financial statements.

# Scotts Head Bowling & Recreation Club Ltd

## Statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	268,845	470,172
Trade and other receivables	11	40,810	38,166
Inventories	12	40,774	46,270
Other assets	14	54,754	128,045
<b>Total current assets</b>		<b>405,183</b>	<b>682,653</b>
<b>Non-current assets</b>			
Property, plant and equipment	13	4,722,455	4,579,210
<b>Total assets</b>		<b>5,127,638</b>	<b>5,261,863</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	72,112	65,743
Employee benefits	16	32,172	49,209
Contract liabilities	17	-	19,709
Lease liabilities	18	50,877	94,416
Other liabilities	19	76,528	64,093
<b>Total current liabilities</b>		<b>231,689</b>	<b>293,170</b>
<b>Non-current liabilities</b>			
Employee benefits	16	9,242	7,853
Lease liabilities	18	3,929	56,078
<b>Total non-current liabilities</b>		<b>13,171</b>	<b>63,931</b>
<b>Total liabilities</b>		<b>244,860</b>	<b>357,101</b>
<b>Net assets</b>		<b>4,882,778</b>	<b>4,904,762</b>
<b>Equity</b>			
Retained earnings		1,841,005	1,862,989
Reserves	22	3,041,773	3,041,773
<b>Total equity</b>		<b>4,882,778</b>	<b>4,904,762</b>

The accompanying notes form part of these financial statements.

# Scotts Head Bowling & Recreation Club Ltd

## Statement of changes in equity

For the year ended 30 June 2024

<b>2023</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total equity \$</b>
Opening balance	936,054	3,041,773	3,977,827
Profit for the year	926,935	-	926,935
<b>Closing balance</b>	<b>1,862,989</b>	<b>3,041,773</b>	<b>4,904,762</b>

<b>2024</b>	<b>Retained earnings \$</b>	<b>Revaluation surplus \$</b>	<b>Total equity \$</b>
Opening balance	1,862,989	3,041,773	4,904,762
Profit for the year	(21,984)	-	(21,984)
<b>Closing balance</b>	<b>1,841,005</b>	<b>3,041,773</b>	<b>4,882,778</b>

The accompanying notes form part of these financial statements.

# Scotts Head Bowling & Recreation Club Ltd

## Statement of cash flows

For the year ended 30 June 2024

	2024	2023
	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	2,077,787	2,026,123
Receipts from government grants	144,817	859,615
Payments to suppliers and employees	(1,951,119)	(1,949,810)
Interest paid	(5,869)	(9,343)
<b>Net cash flows from/(used in) operating activities</b>	<b>265,616</b>	<b>926,585</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(371,255)	(911,263)
Deposits for property plant & equipment	-	(26,565)
<b>Net cash provided by/(used in) investing activities</b>	<b>(371,255)</b>	<b>(937,828)</b>
<b>Cash flows from financing activities:</b>		
Payment of lease liabilities	(95,688)	(93,933)
<b>Net cash provided by/(used in) financing activities</b>	<b>(95,688)</b>	<b>(93,933)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(201,327)</b>	<b>(105,176)</b>
Cash and cash equivalents at beginning of year	470,172	575,348
<b>Cash and cash equivalents at end of financial year</b>	<b>268,845</b>	<b>470,172</b>

The accompanying notes form part of these financial statements.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 1. Introduction

The financial report covers Scotts Head Bowling & Recreation Club Ltd as an individual entity. Scotts Head Bowling & Recreation Club Ltd 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 2024 were the provision of a bowling and recreation club in Scotts Head, NSW.

The functional and presentation currency of Scotts Head Bowling & Recreation Club Ltd is Australian dollars. Comparatives are consistent with prior years, unless otherwise stated.

The financial report was authorised for issue by the Directors on 21 October 2024.

### 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.

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

### 3. Material accounting policy information

#### 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.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 3. Material accounting policy information (continued)

#### 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

###### *Classification*

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).

###### *Amortised cost*

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method (where material) less provision for impairment. Interest income and impairment are recognised in profit or loss.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 3. Material accounting policy information (continued)

#### e. Financial instruments (continued)

##### i. Financial assets (continued)

###### *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 (if any) 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.

##### 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, loans and lease liabilities.

#### f. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2024, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

### 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.



# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 4. Critical accounting estimates and judgements (continued)

#### b. Key estimates - estimation of useful lives of assets

The Company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite or indefinite life of any intangible assets held. The useful lives could change as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or down.

#### c. Key estimates - property held at fair value

An independent valuation of property (land and buildings) carried at fair value was obtained on 30 June 2022. The Directors have reviewed this valuation and updated it based on valuation indexes for the area in which the property is located. The valuation is an estimation which would only be realised if the property is sold.

#### d. Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

#### e. Key Judgements - lease classification

The company is party to a number of lease arrangements in relation to their poker machine licenses and plant and equipment. Review of the minimum lease payments, lease term, other terms and conditions in the leases has been performed to determine whether a lease exists. Where it is determined that a lease exists, right-of-use assets have been recognised at cost which is based on the associated lease liabilities.

### 5. Revenue and other income

#### a. Accounting policy

##### i. Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 5. Revenue and other income (continued)

#### a. Accounting policy (continued)

##### i. Revenue from contracts with customers (continued)

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. Specific revenue streams

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

###### **Sales**

Revenue from the sales, including bar, poker machine net takings and general sales are recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods. Revenue is recognised at the point of sale as there are no specific ongoing obligations related to the sales.

###### **Rendering of services**

Revenue in relation to rendering of services is recognised upon delivery of the service to customers.

###### **Membership subscriptions**

Revenue from membership subscriptions are recognised in the year in which they relate to as this is deemed to be the point in time when the risks and rewards are transferred. Payments are generally received in advance, and if paid prior to the year commencing this is shown in the statement of financial position as a liability.

###### **Sponsorships**

Revenue from sponsorships are recognised in the year in which they relate to as this is deemed to be the point in time when the risks and rewards are transferred. Payments are generally received in advance, and if paid prior to the year commencing or the event has occurred, this is shown in the statement of financial position as a liability. If received after the event, it is shown as a receivable.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 5. Revenue and other income (continued)

#### a. Accounting policy (continued)

##### iii. Statement of financial position balances relating to revenue recognition

###### Contract assets and liabilities

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

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

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

##### iv. Rental income

Bistro rent revenue is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return on the net investment.

##### v. Grant revenue

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

Grant income arising from non-enforceable contracts or those without sufficiently specific performance obligations is recognised on receipt unless it relates to capital grants which meet certain criteria.

Enforceable capital grants received to enable the Company to acquire or construct an item of property, plant and equipment to identified specifications which will be controlled by the entity are recognised as revenue as and when the obligation to construct or purchase is completed.

- For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.
- For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the entity.

##### vi. Other income

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

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 5. Revenue and other income (continued)

#### a. Accounting policy (continued)

##### vii. Volunteer services

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

#### b. Revenue from continuing operations

	2024	2023
	\$	\$
Bar and cafe sales	1,080,463	1,062,015
Poker Machine Net Takings	549,557	641,383
Green Fees Income	22,687	21,899
Grants	164,526	859,615
Member subscriptions	13,074	14,900
Raffles	55,036	56,098
Sponsorships and Advertising	4,643	3,156
Sub-club income	6,671	4,992
Sundry Income	1,731	4,146
<b>Total revenue</b>	<b>1,898,388</b>	<b>2,668,204</b>

#### c. Other income

	2024	2023
	\$	\$
Commissions	54,222	53,154
Restaurant Rent	23,850	22,663
Restaurant - Other Revenue	47,193	44,904
Gaming Tax Rebate	17,180	17,180
<b>Total other income</b>	<b>142,445</b>	<b>137,901</b>

### 6. Finance income and expenses

Finance expenses	2024	2023
	\$	\$
Lease interest expense	2,745	5,663
Premium funding interest expense	3,124	3,680
<b>Total finance expenses</b>	<b>5,869</b>	<b>9,343</b>

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 7. Result for the year

The result for the year includes the following specific expenses:

	2024	2023
	\$	\$
Raw materials and consumables used	552,035	493,319
Depreciation expenses	291,711	254,869
Salary and wage expenses	549,415	499,308
Superannuation contributions	58,870	46,529
Workers compensation	12,089	4,933
Movement in leave provisions	(10,748)	(9,093)
Auditor's remuneration	22,720	18,247
Doubtful debts expense	9,630	-
Insurance	49,934	54,240
Legal fees	7,343	3,627
Repairs and maintenance	130,106	116,851
Finance expenses	5,869	9,343
Net loss on disposal	875	851
<b>Other operating expenses</b>		
Accounting Fees	22,101	6,139
Bank Charges	12,962	12,021
Carnival Expenses	5,779	4,660
Cleaning	11,767	11,691
Consulting Fees	5,895	29,640
Drinks	8,747	3,690
Electricity and Gas	82,815	79,405
Entertainment and Bands	19,818	20,880
Poker Machine - CMS	23,230	25,038
Promotions - Community	1,159	3,293
Promotions - Members	19,213	25,155
Raffles Expenses	48,902	47,628
Rates and water	17,232	16,834
Security	5,527	4,631
Sponsorship expenses	3,859	7,609
Subscriptions	23,144	15,377
TAB and Sky Channel expenses	16,030	18,329
Travel and Accommodation	3,978	1,327
Unders / (Overs)	6,784	1,563
Miscellaneous operating expenses	44,026	51,236
<b>Total Other operating expenses</b>	<b>382,968</b>	<b>386,146</b>

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 8. Auditor's remuneration

	2024	2023
	\$	\$
Auditing or reviewing the financial statements	18,000	16,700
Other remuneration of the auditor	4,720	1,547
<b>Total auditor's remuneration</b>	<b>22,720</b>	<b>18,247</b>

Other services included assistance with the preparation of the financial report, audit procedures and preparation of acquittal documents for the BSBR grant acquittal, assistance with ASIC compliance lodgements and assistance with Xero queries.

### 9. 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 subject to an insignificant risk of change in value.

#### b. Cash and cash equivalent details

	2024	2023
	\$	\$
Cash at bank and on hand	268,845	470,172

#### 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:

	2024	2023
	\$	\$
Cash and cash equivalents	268,845	470,172

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 10. Cash flow information

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

	2024	2023
	\$	\$
Profit/(loss) for the year	(21,984)	926,935
<b>Add / (less) non-cash items:</b>		
(Profit) / loss on sale of assets	875	851
Depreciation and amortisation	291,711	254,869
Impairment of receivables	9,630	-
<b>Changes in assets and liabilities:</b>		
(increase) / decrease in receivables	(12,271)	(27,001)
(increase) / decrease in inventories	5,496	(6,046)
(increase) / decrease in other assets	73,291	(29,352)
increase / (decrease) in payables	15,099	(39,520)
increase / (decrease) in employee benefits	(15,648)	(15,480)
increase / (decrease) in other liabilities	12,435	7,146
increase / (decrease) in contract liabilities	(19,709)	(172,377)
<b>Cash flows from operations</b>	<b>338,925</b>	<b>900,025</b>

### 11. Trade and other receivables

	2024	2023
	\$	\$
<b>Current</b>		
Trade Debtors	27,758	3,481
Provision for doubtful debts	(9,630)	-
	18,128	3,481
Other receivables	22,682	34,685
<b>Total trade and other receivables</b>	<b>40,810</b>	<b>38,166</b>

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 12. Inventories

#### a. Accounting policy

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

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

#### b. Inventory details

Current	2024	2023
	\$	\$
Bar stock at cost	40,774	46,270

Write-downs of inventories to net realisable value during the year were \$Nil (2023: \$Nil).

### 13. Property, plant and equipment

#### a. Accounting policy

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

##### iii. Depreciation

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

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

Fixed asset class	Useful life
Buildings and land improvements	10 to 25 years
Furniture and fittings	5 to 10 years
Plant and equipment	3 to 10 years
Poker machines	5 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.



# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 13. Property, plant and equipment (continued)

#### b. Property, plant and equipment details

<b>Summary</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Land at Directors' valuation	1,200,000	1,200,000
<b>Buildings</b>		
Buildings and Greens - At Directors' valuation	3,138,559	3,023,416
Buildings and Greens- Accumulated Dep'n	(228,295)	(103,111)
<b>Total Buildings</b>	<b>2,910,264</b>	<b>2,920,305</b>
<b>Plant and equipment</b>		
Plant and Equipment - At Cost	969,554	672,924
Plant and Equipment - Accumulated Dep'n	(495,303)	(420,646)
<b>Total Plant and equipment</b>	<b>474,251</b>	<b>252,278</b>
<b>Poker Machines</b>		
Poker Machines - At Cost	673,645	673,645
Poker Machines - Accumulated Dep'n	(552,876)	(485,814)
<b>Total Poker machines</b>	<b>120,769</b>	<b>187,831</b>
<b>Furniture, fixtures and fittings</b>		
Furniture and Fittings - At Cost	124,612	122,887
Furniture and Fittings - Accumulated Dep'n	(107,441)	(104,091)
<b>Total Furniture, fixtures and fittings</b>	<b>17,171</b>	<b>18,796</b>
<b>Total property plant and equipment</b>	<b>4,722,455</b>	<b>4,579,210</b>

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 13. Property, plant and equipment (continued)

#### b. Property, plant and equipment details (continued)

2024	Land \$	Buildings and greens \$	Plant and equipment \$	Furniture, fixtures and fittings \$	Poker machines \$	Total \$
Opening balance	1,200,000	2,920,305	252,278	18,796	187,831	4,579,210
Additions	-	115,144	318,963	1,725	-	435,832
Disposals	-	-	(875)	-	-	(875)
Depreciation	-	(125,185)	(96,115)	(3,350)	(67,062)	(291,712)
<b>Closing balance</b>	<b>1,200,000</b>	<b>2,910,264</b>	<b>474,251</b>	<b>17,171</b>	<b>120,769</b>	<b>4,722,455</b>

#### c. Fair value measurement

Freehold land, buildings and land improvements (including the bowling greens) were revalued at 30 June 2022 by independent valuers. Valuations were made on the basis of an open market in an arms length transaction based on similar properties and available sales data. The valuations were performed by an independent valuer with appropriate qualifications and experience.

The directors have reviewed the key assumptions adopted by the valuers, available sales data and valuer general information and believe that the total carrying value of the land, buildings and greens correctly reflects the fair value less cost to sell at 30 June 2024.

### 14. Other assets

Current	2024 \$	2023 \$
Prepayments	54,754	54,736
Deposits	-	73,309
<b>Total other assets</b>	<b>54,754</b>	<b>128,045</b>

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 15. Trade and other payables

<b>Current</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade payables	28,732	56,185
GST payable/(receivable)	19,460	(9,679)
Superannuation payable	5,410	2,140
Accrued expenses	17,156	17,330
TAB and Keno settlements payable	1,354	(233)
<b>Total trade and other payables</b>	<b>72,112</b>	<b>65,743</b>

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.

### 16. 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.

#### b. Employee benefit details

<b>Current</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Annual leave	32,172	49,209

<b>Non-current</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Long service leave	9,242	7,853

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 17. Contract balances

The Company has recognised the following contract assets and liabilities from contracts with customers:

Current contract liabilities	2024	2023
	\$	\$
Unspent grant funds	-	19,709

### 18. Leases

#### a. Accounting policy

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

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, depreciated over the life of the underlying asset on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

#### *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 poker machines and plant and equipment.

##### i. Terms and conditions of leases

The Company leases Poker machines, and their associated type 4 licenses, and plant and equipment. The leases are generally between 1-4 years.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 18. Leases (continued)

#### b. Company as a lessee (continued)

##### ii. Lease liabilities

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

	2024	2023
	\$	\$
< 1 year	51,511	98,432
1 - 5 years	4,005	55,516
<b>Total undiscounted lease liabilities</b>	<b>55,516</b>	<b>153,948</b>
Less unexpired interest	(710)	(3,454)
Lease liabilities included in the statement of financial position	54,806	150,494

### 19. Other liabilities

Current	2024	2023
	\$	\$
Deferred income	22,214	9,566
Premium funding loan	54,314	54,527
<b>Total other liabilities</b>	<b>76,528</b>	<b>64,093</b>

### 20. Contracted commitments

The end of the financial year up until the date of this report, the Club has committed to the following capital expenditure:

- the purchase of 2 new poker machines under Type 4 arrangements payable in 36 monthly instalments of \$2,556 (plus GST) with a total cost of \$92,016.

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 21. Financial risk management

<b>Financial assets</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Held at amortised cost</b>		
Cash and cash equivalents	268,845	470,172
Trade and other receivables	40,810	38,166
	<b>309,655</b>	<b>508,338</b>
<b>Financial liabilities</b>	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Trade and other payables	(72,112)	(65,743)
Lease liabilities - current	(50,877)	(94,416)
Lease liabilities - non-current	(3,929)	(56,078)
Premium funding loan	(54,314)	(54,526)
<b>Total financial liabilities</b>	<b>(181,232)</b>	<b>(270,763)</b>

### 22. Reserves

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revaluation surplus	3,041,773	3,041,773

The asset revaluation reserve records fair value movements on land, buildings and greens held under the revaluation model.

### 23. 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 each towards meeting any outstanding obligations of the Company. At 30 June 2024 the number of members was 1,504 (2023: 924).

### 24. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (2023: None).

# Scotts Head Bowling & Recreation Club Ltd

## Notes to the financial statements

For the year ended 30 June 2024

### 25. Related parties

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

The remuneration paid to key management personnel of the Company is \$218,577 (2023: \$199,058).

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 during the year:

The proprietors of Swell Bistro are a close family relatives of Vanessa Barbour who was part of the key management personnel. During the year an amount of \$23,850 (plus GST) was payable to the Club for rent income and \$47,192 (plus GST) for the cost recovery of expenses paid by the Club in accordance with the agreement. At 30 June 2024, the balance receivable from Swell Bistro was \$21,138, which included \$9,630 rent in arrears from the previous year.

### 26. 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.

### 27. Statutory information

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

Scotts Head Bowling & Recreation Club Ltd  
26 West Street  
Scotts Head NSW Australia  
2447

# Scotts Head Bowling & Recreation Club Ltd

## Directors' declaration

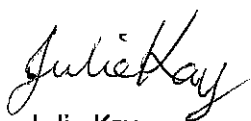
The directors of the Company declare that:

The financial statements and notes for the year ended 30 June 2024 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 2024 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.

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



Julie Kay  
Chairperson

Dated: 21 October 2024



Michael Reardon  
Deputy Chairperson



# Independent audit report to the members of Scotts Head Bowling & Recreation Club Ltd

## Report on the Audit of the Financial Report

### Opinion

We have audited the accompanying financial report, being a simplified disclosure financial report of Scotts Head Bowling & Recreation Club Ltd (the Company), which comprises the statement of financial position as at 30 June 2024, 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 is in accordance with the *Corporations Act 2001*, including:

1. giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year ended; and
2. complying with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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.

### Other Information

The Directors are responsible for the other information. The other information obtained at the date of this auditor's report includes the Chairman's Report, the General Manager's report and the Director's Report, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Directors for the Financial Report**

The Directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the *Corporations Act 2001*, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

A handwritten signature in cursive script that reads 'HLV Audit'.

HLV Audit Pty Ltd

A handwritten signature in cursive script that reads 'Angela Holladay'.

Angela Holladay

Partner

Nambucca Heads NSW,

21 October 2024