

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Financial Statements

For the Year Ended 30 June 2023

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Financial Statements

For the Year Ended 30 June 2023

Contents	Page
Directors' Report	1
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	30
Independent Audit Report	31

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Directors' Report

30 June 2023

Your Directors present their report on Wiseman Park Wollongong City Bowling Club Limited ("the Club") 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 the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Qualifications, experience and responsibilities</u>
Garry Griffith	President	Retired
Brian Hood	Vice President	Manager
Ron Owen	Treasurer	Retired
Garry O'Brien	Director	Retired
Kevin Scott	Director	Retired
Colin Ward	Director	Retired
Craig Prideaux*	Director	Fitter and Machinist
Tally Kouzan**	Director	Consultant
Ivan Robins**	Director	Retired

* *appointed 11 September 2022*

** *resigned 11 September 2022*

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

Review of operations

The result of the Club for the year amounted to a surplus of \$ 201,266 (2022: \$18,791).

Principal activities

The principal activities of the Club are to operate a licenced bowling club for use by its members, guests and the broader community.

Short term objectives

The Club's short term objective is to maintain and conduct a bowling club for the benefit of all its members and guests. This is reflected in the Club's Constitution.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Directors' Report

30 June 2023

Long term objectives

The Club's long term objectives include:

- Develop facilities offered by the Club for existing members, visitors and the broader community whilst recognising the diversity of their needs,
- Develop a strong financial base through existing operations, and
- Seek new income opportunities.

Strategy for achieving the objectives

The Club will continue to develop and review shorter term business plans and create a strategic plan for the future.

These plans will reflect the overall short and long-term goals and objectives of the business and acknowledge the commitment to providing something special for everyone.

Each activity in these plans is aimed at achieving our overall objectives.

Performance measures

The Club will use Key Performance Indicators in the Business and Strategic Plans to measure the performance of the business activities.

Members' guarantee

The Wiseman Park Wollongong City Bowling Club Limited is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each members 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 2023 the collective liability of members was \$5,946 (2022: \$5,050).

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Directors' Report

30 June 2023

Meetings of directors

During the financial year, 10 meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number attended	Number eligible to attend
Garry Griffith	7	10
Brian Hood	10	10
Ron Owen	10	10
Garry O'Brien	9	10
Kevin Scott	8	10
Colin Ward	9	10
Craig Prideaux	8	9
Tally Kouzan	-	1
Ivan Robins	1	1

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 can be found on page 4 of the financial report.

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



Garry Griffith
President



Ron Owen
Treasurer

Dated: 10 August 2023



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

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

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

Daley Audit
Daley Audit

Michael Mundt
Michael Mundt
Partner

Dated: 10 August 2023

Wollongong

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue	4	2,285,309	1,473,952
Other income	4	433,293	306,401
		<u>2,718,602</u>	<u>1,780,353</u>
Employee benefits		(784,714)	(557,676)
Cost of goods sold		(562,921)	(338,261)
Member and visitors		(454,023)	(331,293)
Depreciation and amortisation		(186,955)	(167,415)
Repairs and maintenance		(112,698)	(96,714)
Water, light and power		(85,214)	(63,039)
Audit, legal and consultancy		(46,065)	(44,120)
Insurance		(42,970)	(42,340)
Finance costs		(2,796)	(2,530)
Other expenses		(238,980)	(118,174)
Result for the year		<u>201,266</u>	<u>18,791</u>
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>201,266</u>	<u>18,791</u>

The accompanying notes form part of these financial statements.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Balance Sheet

As at 30 June 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	608,678	470,575
Trade and other receivables	6	175	1,110
Financial assets	7	403,980	400,000
Inventories	8	49,964	33,244
Other assets	9	91,239	73,434
TOTAL CURRENT ASSETS		1,154,036	978,363
NON-CURRENT ASSETS			
Right-of-use assets	10	111,106	10,092
Property, plant and equipment	11	3,181,644	3,115,676
TOTAL NON-CURRENT ASSETS		3,292,750	3,125,768
TOTAL ASSETS		4,446,786	4,104,131
LIABILITIES			
CURRENT LIABILITIES			
Lease liabilities	10	38,036	12,045
Trade and other payables	12	132,385	128,757
Other liabilities	13	96,152	62,638
Employee benefits	14	45,278	33,028
TOTAL CURRENT LIABILITIES		311,851	236,468
NON-CURRENT LIABILITIES			
Lease liabilities	10	62,692	-
Employee benefits	14	6,204	2,890
TOTAL NON-CURRENT LIABILITIES		68,896	2,890
TOTAL LIABILITIES		380,747	239,358
NET ASSETS		4,066,039	3,864,773
EQUITY			
Reserves	15	888,932	888,932
Retained earnings		3,177,107	2,975,841
TOTAL EQUITY		4,066,039	3,864,773

The accompanying notes form part of these financial statements.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Statement of Changes in Equity

For the Year Ended 30 June 2023

	Retained Earnings \$	Asset Realisation Reserve \$	Total \$
Balance at 1 July 2022	2,975,841	888,932	3,864,773
Result for the year	201,266	-	201,266
Balance at 30 June 2023	3,177,107	888,932	4,066,039
Balance at 1 July 2021	2,957,050	888,932	3,845,982
Result for the year	18,791	-	18,791
Balance at 30 June 2022	2,975,841	888,932	3,864,773

The accompanying notes form part of these financial statements.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Statement of Cash Flows

For the Year Ended 30 June 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	3,008,215	1,955,122
Payments to suppliers and employees	(2,593,257)	(1,778,891)
Interest received	7,706	2,484
Finance costs	-	(1,973)
Net cash provided/(used) by operating activities	<u>422,664</u>	<u>176,742</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(233,736)	(105,142)
Proceeds from sale of property, plant and equipment	-	13,020
Purchase of financial assets	(3,980)	(400,000)
Net cash provided/(used) by investing activities	<u>(237,716)</u>	<u>(492,122)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment for finance lease liabilities	(46,845)	(9,317)
Net cash provided/(used) by financing activities	<u>(46,845)</u>	<u>(9,317)</u>
Net increase/(decrease) in cash and cash equivalents held	138,103	(324,697)
Cash and cash equivalents at beginning of year	470,575	795,272
Cash and cash equivalents at end of financial year	5 <u>608,678</u>	<u>470,575</u>

The accompanying notes form part of these financial statements.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

The financial report covers Wiseman Park Wollongong City Bowling Club Limited ("the Club") as an individual entity. Wiseman Park Wollongong City Bowling Club Limited is a not-for-profit Club limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Wiseman Park Wollongong City Bowling Club Limited is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosure Standard, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

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

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Club expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer;
2. Identify the performance obligations;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(a) Revenue and other income

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

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

Bar sales and poker machine income

Revenue is recognised at the point the customer purchases the goods and services at the venue. Payment of the transaction price is due immediately at the time of purchase.

Commissions income

Commissions income is recognised over the period in which the related services are rendered.

Membership subscriptions

Membership services requires the annual subscription payment to be made upfront. A contract liability is recognised on receipt of the payment and recognised on a straight-line basis as revenue as the services are provided.

Government COVID-19 stimulus income

Income is recognised in the period it is earned. This is generally consistent with when the Club becomes entitled to receive income.

Donations

Donations and bequests are recognised as revenue when received.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(b) Borrowing costs

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 payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet.

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

(d) Income tax

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

(e) Cash and cash equivalents

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

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Leases

At inception of a contract, the Club assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Club has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Club has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

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

Right-of-use asset

At the lease commencement, the Club recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Club 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 assets useful life or the lease term; on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(f) Leases

Lease liability

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 Club'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 Club'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 Club 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 Club recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(g) Inventories

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

(h) Property, plant and equipment

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

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Property, plant and equipment

Land and buildings

Freehold land and buildings are carried at fair value based on periodic valuations by external independent valuers, less subsequent depreciation for buildings.

Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model; or on a triennial basis, whichever comes first.

In periods when the freehold land and buildings are not subject to an independent valuation, the Directors conduct appropriate enquiries and analysis to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are charged to the profit or loss.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and equipment

Plant and equipment are measured using the cost model.

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

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(h) Property, plant and equipment

Depreciation

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

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

Fixed asset class	Depreciation rate
Plant and equipment	5 - 40%
Poker machines	22.5%
Buildings and improvements	2%
Furniture and fittings	5 - 40%
Computer software	30%

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.

(i) Financial instruments

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

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

(i) Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost.

Classification

On initial recognition, the Club classifies its financial assets as those to be measured at amortised cost.

The classification depends on the Club's business model for managing the financial assets and the contractual terms of the cash flows.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(i) Financial instruments

(i) Financial assets

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

The Club's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and financial assets in the balance sheet.

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

Interest income 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 financial assets measured at amortised cost.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Club 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 Club's historical experience and informed credit assessment and including forward looking information.

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

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(i) Financial instruments

(i) Financial assets

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

- the other party is unlikely to pay its credit obligations to the Club in full, without recourse to the Club to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

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

Trade receivables

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

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

Where the Club 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 Club 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.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(i) **Financial instruments**

(ii) **Financial liabilities**

The financial liabilities of the Club comprise trade and other payables and lease liabilities.

(j) **Impairment of non-financial assets**

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

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.

(k) **Employee benefits**

Defined benefit contributions

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.

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

2 Summary of Significant Accounting Policies

(k) Employee benefits

Other long-term employee benefit obligations

The liability for long service leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Club does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(l) New and amended standards adopted by the Club

The Club has adopted all applicable standards which became effective for the first time during 30 June 2023. The adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Club.

3 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 Club assesses impairment at the end of each reporting period by evaluating conditions specific to the Club that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

3 Critical Accounting Estimates and Judgements

(b) *Key estimates - property held at fair value*

An independent valuation of property (land and buildings) carried at fair value was obtained, effective 30 June 2021. The valuation is an estimation which would only be realised if the property is sold. The critical assumptions adopted in determining the valuation included the location of the land and buildings, current demand and recent sales data for similar properties. The valuation resulted in \$421,195 being credited to the statement of comprehensive income in the 2021 financial year, and is considered by the company to remain appropriate for the recording of this asset at its fair value as at 30 June 2023.

(c) *Key estimates - useful lives of depreciable assets*

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain property, plant and equipment.

(d) *Key estimates - employee benefits*

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

4 Revenue and Other Income

	2023	2022
	\$	\$
<i>Revenue from contracts with customers</i>		
- Poker machine income	971,650	723,282
- Bar sales	1,267,849	721,852
- Keno and TAB commissions	45,810	28,818
	<u>2,285,309</u>	<u>1,473,952</u>
<i>Other revenue</i>		
- Bowls	120,735	77,330
- COVID-19 subsidies	3,000	65,400
- Food services	72,953	55,587
- Rebates	75,089	47,717
- Raffles	49,827	27,125
- Memberships	24,070	20,729
- Interest received	7,706	2,484
- Sundry income	30,725	10,029
- Government grants	49,188	-
	<u>433,293</u>	<u>306,401</u>

Disaggregation of revenue from contracts with customers

Revenue from contracts with customers has been disaggregated, the following table shows this breakdown:

Timing of revenue recognition

- At a point in time	2,285,309	1,473,952
- Over time	-	-
Revenue from contracts with customers	<u>2,285,309</u>	<u>1,473,952</u>

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Cash and Cash Equivalents

	2023	2022
	\$	\$
Cash on hand	93,270	70,338
Cash at bank	311,612	200,136
Short-term bank deposits	203,796	200,101
	<u>608,678</u>	<u>470,575</u>

6 Trade and Other Receivables

Trade receivables	175	1,110
Provision for impairment	-	-
	<u>175</u>	<u>1,110</u>

Provision for impairment of receivables

The Club applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2023 has been assessed as being trivial and hence no provision considered necessary.

The Club measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss (ECL). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Club writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings or when the trade receivables are over a number of years past due, whichever occurs first.

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

7 Financial Assets

	2023	2022
	\$	\$
Term deposits	<u>403,980</u>	<u>400,000</u>

8 Inventories

Finished goods - at cost	<u>49,964</u>	<u>33,244</u>
--------------------------	---------------	---------------

9 Other assets

Prepayments	<u>91,239</u>	<u>73,434</u>
-------------	---------------	---------------

10 Leases

(a) Club as a lessee

The Club has leases over poker machines. The leases are for a 36 month term.

Information relating to the leases in place and associated balances and transactions are provided below.

(b) Right-of-use assets

	Poker Machines \$
Year ended 30 June 2023	
Balance at beginning of year	10,092
Additions to right-of-use assets	132,732
Transfer to property, plant and equipment	(7,056)
Depreciation charge	<u>(24,662)</u>
Balance at end of year	<u>111,106</u>

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

10 Leases

(c) Lease liabilities

	2023	2022
	\$	\$
Current liability	38,036	12,045
Non current liability	62,692	-
	<u>100,728</u>	<u>12,045</u>

(d) Extension options

The Club has no option to extend any leases.

(e) 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 leases where the Club is a lessee are shown below:

Interest expense on lease liabilities	(2,796)	(557)
Depreciation of right-of-use assets	(24,662)	(12,145)
	<u>(27,458)</u>	<u>(12,702)</u>

(f) Future lease payments

Future lease payments in relation to lease liabilities as at period end are as follows:

Within one year	44,244	3,285
Later than one year but not later than five years	52,933	-
Later than five years	-	-
	<u>97,177</u>	<u>3,285</u>

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, Plant and Equipment

	Note	2023 \$	2022 \$
Land and buildings			
At fair value	11(b)	2,755,757	2,609,483
Accumulated depreciation		(72,079)	(34,882)
		<u>2,683,678</u>	<u>2,574,601</u>
Poker machines			
At cost		606,306	675,374
Accumulated depreciation		(431,589)	(476,338)
		<u>174,717</u>	<u>199,036</u>
Furniture and fittings			
At cost		324,987	330,297
Accumulated depreciation		(244,109)	(234,427)
		<u>80,878</u>	<u>95,870</u>
Computer software			
At cost		17,489	17,489
Accumulated depreciation		(17,440)	(16,959)
		<u>49</u>	<u>530</u>
Plant and equipment			
At cost		1,004,561	997,019
Accumulated depreciation		(762,239)	(751,380)
		<u>242,322</u>	<u>245,639</u>
Total property, plant and equipment		<u><u>3,181,644</u></u>	<u><u>3,115,676</u></u>

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, Plant and Equipment

(a) Movements in Carrying Amounts

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

	Land and buildings \$	Poker machines \$	Furniture & fittings \$	Plant & Equipment \$	Computer software \$	Total \$
Balance at beginning of year	2,574,601	199,036	95,870	245,639	530	3,115,676
Additions	146,274	34,272	1,870	51,320	-	233,736
Disposals	-	(5,751)	(3,325)	(3,455)	-	(12,531)
Transfer from right-of-use assets	-	7,056	-	-	-	7,056
Depreciation expense	(37,197)	(59,896)	(13,537)	(51,182)	(481)	(162,293)
Balance at 30 June 2023	2,683,678	174,717	80,878	242,322	49	3,181,644

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, Plant and Equipment

(b) Revaluation

Land and buildings are recognised at fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. The most recent formal valuation was effective 30 June 2021 [refer note 3(b)]. As a result, a revaluation surplus was credited to the asset revaluation reserve in equity (refer note 15). All other property, plant and equipment is recognised at historical cost, less depreciation.

The basis of valuation reflects the market value of comparable properties.

(c) Core and Non-Core Property

As required under section 41J of the *Registered Clubs Act 1976*, the Club is required to specify core property and non-core properties owned or occupied as at the end of the financial year. Accordingly, the Directors consider as core property the licensed premises from which the Club operates at Foley Street, Gwynneville.

12 Trade and Other Payables

	2023	2022
	\$	\$
Trade payables	110,726	107,077
Other payables	21,659	21,680
	<u>132,385</u>	<u>128,757</u>

13 Other Liabilities

Contract liabilities - membership in advance	17,754	15,371
Grants in advance	24,038	-
Insurance premium funding	54,360	47,267
	<u>96,152</u>	<u>62,638</u>

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

14 Employee Benefits

	2023	2022
	\$	\$
CURRENT		
Annual leave	45,278	33,028
NON-CURRENT		
Long service leave	6,204	2,890

15 Reserves

Asset revaluation reserve

The asset revaluation reserve records fair value movements on property (land and buildings) held under the revaluation model.

16 Interests of Key Management Personnel

The total remuneration paid to key management personnel of the Club was \$ 129,109 (2022: \$ 114,429).

17 Auditor's Remuneration

Remuneration of the auditor Daley Audit, for:

- auditing the financial statements	17,300	16,550
- other services*	27,045	24,575
	44,345	41,125

* Other services are for accounting, corporate secretarial and tax services

18 Contingent Liabilities and Contingent Assets

In the opinion of the Directors, the Club did not have any contingencies at 30 June 2023 (30 June 2022: None).

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Notes to the Financial Statements

For the Year Ended 30 June 2023

19 Related Party Transactions

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.

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

Key Management Personnel often participate in bowling activities whereby they can receive prize monies and vouchers. These prizes are received under the normal terms and conditions applicable to all members participating in such activities and are not considered to be remuneration and hence have not been included in the disclosures of note 16.

20 Events after the end of the Reporting Period

The financial report was authorised for issue on 10 August 2023 by the Board of Directors.

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Club, the results of those operations, or the state of affairs of the Club in subsequent financial periods.

21 Statutory Information

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

Foley Street
Gwynneville
NSW 2500

Wiseman Park Wollongong City Bowling Club Limited

ABN: 32 001 059 356

Directors' Declaration

The Directors of the Club declare that:

1. The financial statements and notes, as set out on pages 5 to 29, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards - Simplified Disclosure Standard; and
 - b. give a true and fair view of the financial position as at 30 June 2023 and of the performance for the year ended on that date of the Club.
2. In the Directors' opinion, there are reasonable grounds to believe that the Club 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.



Garry Griffith
President



Ron Owen
Treasurer

Dated: 10 August 2023



Independent Audit Report to the members of Wiseman Park Wollongong City Bowling Club Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Wiseman Park Wollongong City Bowling Club Limited ("the Club"), which comprises the balance sheet as at 30 June 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Club is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Club's financial position as at 30 June 2023 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Simplified Disclosure Standard and *the Corporations Regulations 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 Club in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("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.

Wollongong

PO Box 333
Wollongong NSW 2520

☎ 02 4229 6477

✉ wollongong@daley.com.au

Bowral

PO Box 1032
Bowral NSW 2576

☎ 02 4862 1062

✉ bowral@daley.com.au

Sydney

PO Box 903
Sydney NSW 2001

☎ 02 6236 8177

✉ sydney@daley.com.au

🌐 daley.com.au

ABN 43 152 844 291

Liability limited by a
Scheme approved under
Professional Standards
Legislation.





Independent Audit Report to the members of Wiseman Park Wollongong City Bowling Club Limited

Information other than the Financial Report and Auditor's Report

The Directors are responsible for the other information. The other information comprises the Directors' Report for the year ended 30 June 2023, 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.

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

If based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Report

The Directors of the Club are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Simplified Disclosure Standard and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Club or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Club'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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



Independent Audit Report to the members of Wiseman Park Wollongong City Bowling Club Limited

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Daley Audit
Daley Audit

Michael Mundt
Michael Mundt
Partner

Dated: 10 August 2023
Wollongong

Liability limited by a scheme approved under Professional Standards Legislation.