

# *Turramurra Bowling Club Limited*

(Founded 1952)

ABN 68 000 106 936

Website: [www.clubturramurra.com.au](http://www.clubturramurra.com.au)

181 Bobbin Head Road  
Turramurra NSW 2074

## **70<sup>th</sup> ANNUAL REPORT**

**Year ended 31<sup>st</sup> MARCH 2022**



**CLUB  
TURRAMURRA**

**ANNUAL REPORT - TURRAMURRA BOWLING CLUB LIMITED**

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## NOTICE of the 70<sup>th</sup> ANNUAL GENERAL MEETING of MEMBERS

Notice is hereby given that the 70<sup>th</sup> Annual General Meeting of Members will be held at the Registered Office of Turramurra Bowling Club, 181 Bobbin Head Road, Turramurra, on Sunday, 31 July 2022 at 10:00am.

### **BUSINESS**

- To receive and confirm the minutes of the 69<sup>th</sup> Annual General Meeting held on the 22<sup>nd</sup> August, 2021.
- Business arising from previous minutes.
- To receive, consider and then, if thought fit, adopt the Chairman's Report for the year ended 31<sup>st</sup> March, 2022.
- To receive, consider and then, if thought fit, adopt the General Manager's Report for the year ended 31<sup>st</sup> March, 2022.
- To receive, consider and, if thought fit, adopt the Treasurer's Report, Income Statement, Statement of Changes in Equity, Balance Sheet and Cash Flow Statement for the year ending 31st March 2022 together with the Directors' Report and Auditors Report.

***Note: Members seeking financial information are requested to advise the General Manager, in writing, seven (7) days prior to the Annual General Meeting. This enables time to carry out any necessary research.***

- Appointment of Auditors for 2022/23 – Motion: That Conroy Audit & Advisory be appointed for the above period.
- To present 25 Year Badges and Certificates / Life Memberships as appropriate
- Declaration of the Election of Officers, for the ensuing year, by the Returning Officer.
- To transact any other business brought forward in accordance with the Constitution of Turramurra Bowling Club Limited.

James Sneddon  
General Manager  
By Direction of the Board of Directors

## Chairman's Report

Although we have had another difficult year with lockdown, the signs for the club are extremely positive.

Our plan to ensure our clubs future is well underway and our move to becoming a more inclusive and relevant "community focused" club has provided us with growth in many important parts of our business.

Our adoption of Clubs NSW best practice guidelines and our strategic plan is paramount to ensuring our success and the Board will continue to follow these guidelines and plans

Due to the three-month lockdown the club's financial outcome was a small loss. This is a good result considering this loss was largely incurred over the lockdown period.

Our General Manager, James and all our staff performed excellently over the year and this is a credit to their professionalism and drive in a very difficult year for our industry. They had many challenges with lockdown and post lockdown government compliance and staff shortages which continue across hospitality.

We are continuing to upgrade and replace our capital equipment and the board recently approved the replacement of a significant proportion of the roof and the replacement of our air-conditioning systems. Works on these significant capital items will proceed soon.

Volunteers are extremely important to any club, and on behalf of all the members and the Board I would like to thank the many volunteers who selflessly give their time to assist in and around the Club.

It has been a pleasure to work with the board over the past twelve months and I look forward to working with the new board through 2022/23.

George Appleby  
Chairman

## General Manager's Report

It is with much pleasure that I am able to deliver what is my third annual Report to members.

It was another very challenging year for all of us individually as well as for the Club and the entire hospitality sector. After spending over three months in lockdown, we were presented with a very wet summer that impacted our bowling and other social activities. In the context of these events, the performance of the Club was very pleasing.

Through lockdown we were able to utilise technology to connect with each other, including:

- ❖ Live music through our Facebook platform,
- ❖ Online ordering of takeaway food, and
- ❖ Hosting the 2021 AGM via Zoom

There were many positives across the year that will continue to provide the foundations for the Club's future. The Club has become more relevant to the broader community as the membership base grows and new community groups utilise the Club's facilities. We established new connections with several churches, Rotary and Lion's Clubs as well as a number of local schools.

The popularity of live music and support of local musicians through our "Sunday Arvo" live music sessions has been well received and we continue to build on our existing relationships with various local sports clubs and their associations.

The opening up of Green 1 to allow young children to play on has seen more and more local families use the Club and this has been further enhanced by our kitchen contractors agreeing to offer "Kids Eat Free" on Saturday nights. There are just no other local venues like Club Turramurra, where families can enjoy food and beverage whilst their children have the freedom to play outside.

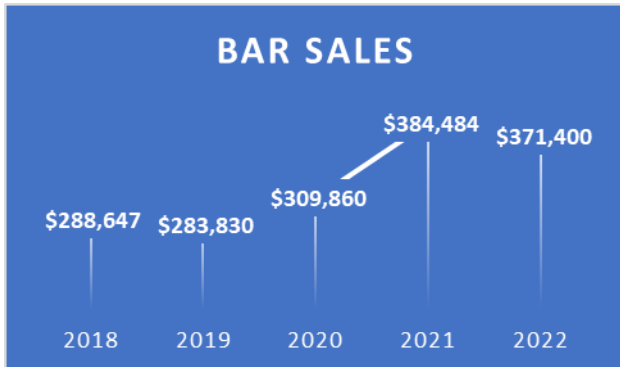
Maila's Kitchen has been operating at the Club for two years now and has become central to attracting patronage. The kitchen is consistently delivering 400 to 500 dinners per week over what has grown to six nights.

Finally, to our membership community, a big thank you for your continued support of the Club and for allowing us to implement our change agenda to build a better future for the Club.

James Sneddon  
General Manager

### Key Performance Areas

A lockdown period that exceeded three months impacted the Club's trading performance. Despite the significance of this, there were positives in key areas.



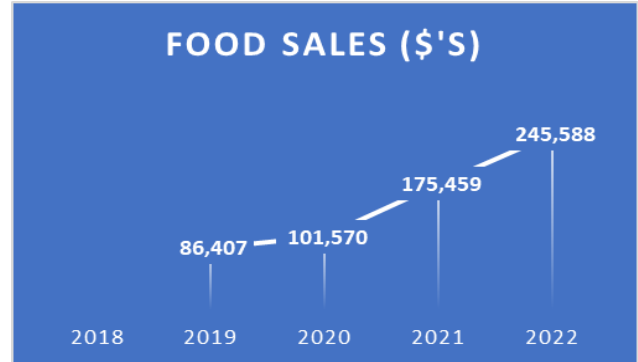
Bar sales were again strong in a challenging year.



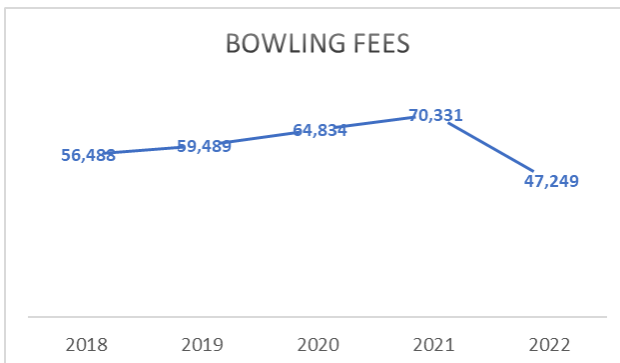
Social Memberships continue the growth trajectory as Bowling Memberships fall.



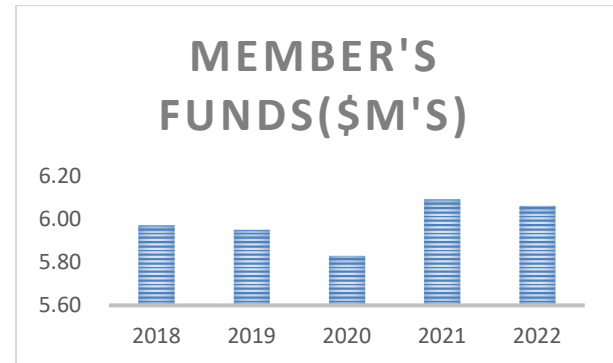
Gaming bounced back in the second half of 2022, though well down on historical levels.



Food sales reach new record levels.



An unusually wet summer along with lockdown had a significant negative impact on bowls.



A net loss for the year of \$25.4k

## Treasurer's Report

### Key Financial Statistics

	2022	2021	\$ Change
Revenue	850,471	986,106	(135,635)
Expenses	875,939	964,543	88,604
Profit/Loss	(25,468)	21,563	(47,031)
Current Assets	371,973	407,716	(35,743)
Term Deposits	111,000	111,000	-

Like the 2020/2021 year, 2021/2022 had its challenges for the club from a financial perspective. We were again shut down due to the pandemic for several months and along with some extreme weather during the summer, some areas of revenue were significantly impacted. While the board is disappointed to have delivered a loss in 2021/22, it does need to be looked at in the context of over \$150k less being received in government COVID stimulus and assistance year on year.

There are some positive outcomes I'd like to draw to the attention of members:

- Despite the extended period of lockdown, total operating revenue was up \$19,844
- Catering, Functions and Hires were up \$28,644
- Gaming Net Income has improved by \$20,316 with the monthly turnover averaging \$35,459 more than the previous period

On the downside, Bowling Fees and Greens Levies were some \$24,608 less than the previous year.

I make the point that the strategy of developing non-bowling revenues has been effective as we work to secure our future as a club where lawn bowls remains our "raison d'etre". The growing popularity of Maila's Kitchen, Barefoot Bowls, Friday & Sunday live music, Wednesday Trivia etc is making Club Turramurra a destination that is making its mark in the community and our General Manager James Sneddon and his team are to be congratulated for driving these great outcomes for the club.

Full details of the club's financial performance are of course outlined in the accounts presented in this annual report.

While we did put on hold significant investment in facilities during the uncertainty of 2021/2022, the board still intends to deliver on its ambitions to renovate the club premises and enable long term, continued growth of revenue and profit in a contemporary club setting.

The club's balance sheet remains in great shape with some \$6.2 million in total assets and total liabilities limited to just over \$200k. The club remains in a good position to invest in capital improvements to deliver improved financial performance on a consistent basis going forward.

During 2021/2022 trade creditors have been paid as these accounts have fallen due and GST, PAYG and Superannuation obligations have been met in accordance with the regulatory requirements.

Ian Pendlebury  
Treasurer

# Directors' Report

## Directors

Your directors present their report together with the financial report of Turramurra Bowling Club Limited (the company) for the year ended 31<sup>st</sup> March 2022 and the auditor's report thereon.

The directors of the company in office at the end of the financial year are:

NAME	SPECIAL RESPONSIBILITIES	OCCUPATION	CONTINUING SERVICE AS DIRECTOR
<b>Appleby</b> George	Chairman	Businessman	4 years
<b>Burford</b> Leigh	Building Works & Maintenance	Retired	6 years
<b>Devlin</b> John	Deputy Chairman & Green's Committee	Company Director	4 years
<b>Devlin</b> Matthew	Building Works & Maintenance	Project Coordinator	1 year
<b>Dowse</b> Stephen	Technology Support	IT Specialist	1 year
<b>Hamilton</b> Sue	Greens Committee	Retired	17 years
<b>Pendlebury</b> Ian	Treasurer	Business Development Manager	2 years
<b>Southam</b> Bob	President Men's Bowling Club & Green's Committee	Retired	3 years
<b>Wallis</b> Jenny	President, Women's Bowling Club	Retired	2 years

## Directors' Meetings

The number of directors' meetings held during the year (eleven meetings were held, one was cancelled as a result of the covid lockdown) and the number of meetings attended by each of the directors of the company during the financial year are:

DIRECTOR	Meetings Attended	Meetings Held *
Appleby George	10	11
Burford, Leigh	10	11
Devlin John	9	11
Devlin Matthew (appointed 22 August 2021)	7	7
Dowse Stephen (appointed 22 August 2021)	7	7
Hamilton, Sue	11	11
Pendlebury Ian	9	11
Southam Bob	11	11
Wallis Jenny	9	11
Blackwell, David (until 22 August 2021)	4	4
Brenner, Herbie (until 22 August 2021)	3	4

\* Number of meetings held during the time the director held office during the year.



## Principal Activities

The principal activity of the company during the financial year was to provide the facilities of a licensed club to the members and visitors and to promote sporting activities.

The Club's short-term objectives are to:

- (i) provide the best possible bowling and clubhouse facilities to members;
- (ii) encourage new membership;
- (iii) remain financially viable to achieve the above objectives.

The Club's long-term objectives are to:

- (i) establish and maintain membership that foster the game of lawn bowls; and
- (ii) be sustainable and strive for continuous improvement so as to offer the best possible bowling and social amenities to members.

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

- (i) the Board strives to attract and retain quality management and staff who are committed to providing high standards of service levels to the members. The Board believes that attracting and retaining quality staff will assist with the success of the Club in both the short and long term.
- (ii) maintain rigorous control over the club's finances to ensure the Club remains viable and is able to continually upgrade the greens and clubhouse for the benefit of members and encourage new membership;
- (iii) the Board is committed to meet consistent standards of governance, best practice and provide clear expectations of professional accountabilities and responsibilities to all members.
- (iv) To grow our social membership and connection with various community groups.

## Performance Measurement and Key Performance Indicator

The financial performance of the Club is measured against the budget set and benchmark data for the club industry. Some of the criteria reported on are:

Earnings before Interest, Taxation, Depreciation, Amortisation, Rent and Donations (EDITDARD)  
Gross Profit Margins  
Expense Ratios and Analysis  
Cash Flow

Non-financial performance is assessed by a variety of measures including:

Members' feedback  
Staff Turnover  
Comparison with industry wide initiatives  
Market research

The Club is incorporated under the Corporations Act 2001 and is a club limited by guarantee. If the Club is wound up, the Constitution states that each member is required to contribute a maximum of \$2.00 towards meeting any outstanding obligations of the Club.

## Auditors' Independence Declaration Under Section 307C of the Corporation Act 2001

A copy of the Auditor's Independence Declaration follows this Directors Report.

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



Director

Date: 27 June 2022

## **Auditor's Independence Declaration Under Section 307C of the Corporations Act 2001**

### **To the Directors of Turramurra Bowling Club Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31<sup>st</sup> March 2022 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.

The opinion expressed in this report has been formed on the above basis.



#### ***Chartered Accountants***

Principal

A handwritten signature in black ink, appearing to read "David Conroy", is written over a faint, light-colored signature line.

David Conroy

Date: 27 June 2022

## Statement of Profit or Loss & Other Comprehensive Income For the Year Ended 31 March 2022

	Note	2022 \$	2021 \$
<b>Revenue</b>			
Sale of goods	2	486,068	471,027
Other	2	281,784	276,982
<b>Total Operating Revenue</b>	2	767,853	748,009
<b>Total Non-Operating Revenue</b>	2	82,618	238,097
<b>Total Revenue:</b>		850,471	986,106
<b>Expenses</b>			
Cost of Sales – Bar		149,193	161,339
Cost of Sales – Catering		15,848	20,629
Cost of Sales – Merchandise		593	849
Employee Benefits Expense	13	314,222	399,563
Gaming Machine Expenses inc. Licences and Taxes		11,346	9,119
Keno Expenses		736	867
Other Licences & Subscriptions		25,973	23,316
Property Expenses	14	223,051	206,994
Promotional Expenses		35,751	23,643
Other Expenses from Ordinary Activities		40,039	52,919
		816,751	899,238
Earnings before interest, tax, depreciation, amortisation, rents and donations		33,720	86,868
Depreciation and amortisation expense	3(a) & 7	57,954	63,186
Donations to Charities & Others	17	1,234	2,119
Finance costs		-	-
Net Loss on Sale Fixed Assets	3(a)	-	-
		59,188	65,305
<b>Profit/(loss) before income tax</b>		(25,468)	21,563
Income tax expense		-	-
<b>Net profit/(loss) after income tax expense</b>		(25,468)	21,563
<b>Other Comprehensive Income</b>			
Revaluation of Club Land		-	230,000
<b>Total Comprehensive Income for the year</b>		(25,468)	251,563

The Statement of Profit or Loss & Other Comprehensive Income should be read in conjunction with the accompanying notes set out on pages 14 to 27.

## Statement of Financial Position For the Year Ended 31 March 2022

	Note	2022 \$	2021 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash assets and cash equivalents	12(a)	327,816	378,869
Trade and other receivables	5	9,266	2,820
Inventories	6	34,891	26,027
<b>Total Current Assets</b>		<u>371,973</u>	<u>407,716</u>
<b>Non-Current Assets</b>			
Property, plant and equipment	7	<u>5,892,748</u>	<u>5,833,250</u>
<b>Total Non-Current Assets</b>		<u>5,892,748</u>	<u>5,833,250</u>
<b>Total Assets</b>		<u>6,264,721</u>	<u>6,240,966</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade Payables	8	36,656	46,625
GST and PAYGW		21,983	26,304
Unearned Revenue		46,895	48,338
Short term Provisions	9	<u>33,940</u>	<u>30,617</u>
<b>Total Current Liabilities</b>		<u>139,474</u>	<u>151,884</u>
<b>Non Current Liabilities</b>			
Asset Finance Loan	10	<u>61,634</u>	<u>-</u>
<b>Total Non Current Liabilities</b>		<u>61,634</u>	<u>-</u>
<b>Total Liabilities</b>		<u>201,108</u>	<u>151,884</u>
<b>Net Assets</b>		<u>6,063,613</u>	<u>6,089,081</u>
<b>Members' Funds</b>			
Asset Revaluation Reserves		4,520,709	4,520,709
Current Year Earnings		(25,468)	21,563
Retained profits		<u>1,568,373</u>	<u>1,546,810</u>
<b>Total Members' Funds</b>		<u>6,063,613</u>	<u>6,089,082</u>

The Statement of Financial Position should be read in conjunction with the accompanying notes set out on pages 14 to 27.

## Statement of Changes in Members' Funds For the Year Ended 31 March 2022

	<b>Asset Revaluation Reserve \$</b>	<b>Retained Profits \$</b>	<b>Total \$</b>
<b>Balance at 31 March 2020</b>	4,290,709	1,546,810	5,837,519
Profit (loss) for the year	-	21,563	21,563
Gain (loss) on revaluation of assets net of tax (nil).	230,000	-	230,000
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2021</b>	4,520,709	1,568,373	6,089,081
Profit (loss) for the year	-	(25,468)	(25,468)
Gain (loss) on revaluation of assets net of tax (nil).	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2022</b>	4,520,709	1,542,905	6,063,613
	<hr/>	<hr/>	<hr/>

The Statement of Changes in Members Funds should be read in conjunction with the accompanying notes set out on pages 14 to 27.

## Statement of Cash Flows

### For the Year Ended 31 March 2022

	Note	2022 \$	2021 \$
<b>Cash Flow From Operating Activities</b>			
Receipts from customers and others		894,018	895,324
Payments to suppliers, employees and others		(924,249)	(978,184)
Cash received from other operating activities		34,997	230,768
		<hr/>	<hr/>
<b>Net cash provided by/(used in) operating activities</b>	12(b)	4,766	147,908
		<hr/>	<hr/>
<b>Cash Flow From Investing Activities</b>			
Proceeds from sale of property, plant and equipment		-	-
Payment for property, plant and equipment		(117,453)	(26,208)
		<hr/>	<hr/>
<b>Net cash provided by/(used in) investing activities</b>		(117,453)	(26,208)
		<hr/>	<hr/>
<b>Cash Flow From Financing Activities</b>			
		61,634	-
		<hr/>	<hr/>
<b>Net increase/(decrease) in cash held</b>		(51,053)	121,700
		<hr/>	<hr/>
<b>Cash at the beginning of year</b>		378,869	257,169
		<hr/>	<hr/>
<b>Cash at the end of year</b>	12(a)	327,816	378,869
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Cash Flows should be read in conjunction with the accompanying notes set out on pages 14 to 27.

## Notes to the Financial Statements For the Year Ended 31 March 2022

### 1 Statement of Significant Accounting Policies

The financial statements are for Turramurra Bowling Club Limited as an individual entity, incorporated and domiciled in Australia. Turramurra Bowling Club Limited is a company limited by guarantee.

#### **New or amended Accounting Standards and Interpretations adopted**

On the 26 June 2021, the Club was forced to close by the NSW State Government due to the impact of the COVID-19 Pandemic. The Club re-opened on the 11<sup>th</sup> October 2021, a closure of approximately 15 weeks. The closure significantly impacted the Club's revenues in the areas of gaming, food, beverage and functions. State government provided financial support of \$48,564 in Lockdown Grant payments.

#### **Basis for Preparation**

Turramurra Bowling Club Limited applies Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001.

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

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

#### **Accounting Policies**

##### **(a) Inventories**

Inventories consist of bistro and liquor provisions and showcase stock and are measured on a first in first out basis, at the lower of cost and net realisable value.

##### **(b) Property, Plant and Equipment**

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

###### ***Property***

Freehold land is measured at valuation.

Buildings and improvements are measured at cost

###### ***Plant and Equipment***

Plant and equipment is measured on the cost basis. The carrying amount of plant and equipment is reviewed annually by the Directors to ensure it is not in excess of the recoverable amount from those assets.

## Notes to the Financial Statements For the Year Ended 31 March 2022 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

#### *Depreciation*

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, are depreciated over their estimated useful lives to the Company commencing from the time the asset is held ready for use.

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

<b>Class of Fixed Asset</b>	<b>Depreciation rate/Useful lives</b>
Building & Property Improvements	5-50 years
Plant & Equipment	2-25 years
Gaming Machines & Equipment	1-8 years

#### (c) Impairment

The carrying amounts of the Company's assets, other than investment property and inventories are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset is written down to its recoverable amount.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

#### (d) Leases

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

Initially the lease liability is measured at the present value of the lease payments still to be paid at the commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the entity uses the incremental borrowing rate.

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

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



## Notes to the Financial Statements For the Year Ended 31 March 2022 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

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

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

#### (e) Revenue

##### *Revenue recognition*

The company recognises revenue as follows:

##### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

##### *Sales revenue*

##### *Food and beverage*

Food and beverage revenue is recognised when received or receivable.

##### *Membership subscriptions*

Membership subscriptions are recognised in the year they relate to on an accruals basis.

##### *Interest revenue*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

##### *Donations*

Donations are recognised when received.

## Notes to the Financial Statements For the Year Ended 31 March 2022 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### *Grants*

"Grant revenue is recognised in profit or loss when the company satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the company is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied."

#### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

#### **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

### (f) Financial Instruments

#### ***Recognition and Initial Measurement***

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

#### ***Derecognition***

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed is recognised in profit or loss.

## Notes to the Financial Statements For the Year Ended 31 March 2022 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### *Classification and Subsequent Measurement*

**1) Financial Assets at fair value through profit or loss**

Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

**2) Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

**3) Held to Maturity Investments**

Held to maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

**4) Available-for-Sale Financial Assets**

Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payment.

**5) Financial Liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

#### *Financial Guarantees*

Where material, financial guarantees issued, which requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition. The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118 Revenue. When the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

#### **(g) Employee Benefits**

Provision is made for the Company's liability for employee entitlements arising from services rendered by employees to balance date. Long Service Leave is accrued in respect of employees with more than 5 years' service with the Company. Employee entitlements together with entitlements arising from wages and salaries, annual leave and sick leave have been measured at amounts expected to be paid when the liabilities are settled plus related on-costs and have been allocated between current and non-current liabilities.

As the Company has relatively few employees with service more than 5 years, the adoption of the basis for long service is believed to produce a result which is not materially different from the present value method prescribed by AASB 119: Employee Benefits.

Contributions are made by the company to an employee superannuation fund and are charged as expenses when incurred.

## Notes to the Financial Statements For the Year Ended 31 March 2022 (Continued)

### 1 Statement of Significant Accounting Policies (Continued)

#### (h) Cash and Cash Equivalents

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months from the date of acquisition and net of bank overdrafts.

#### (i) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

#### (j) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Club prior to the end of the financial year and which are unpaid. These amounts are unsecured and are usually paid within 30 days of recognition.

#### (k) Income Tax

No provision has been made for income tax as the Company is exempt under S 50-45 of the Income Tax Assessment Act (1997), providing it continues as a sporting club predominantly encouraging and promoting the sport of bowling for recreation purposes. Accordingly, tax effective accounting has not been adopted by the Company.

#### (l) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

##### Key Estimates

###### *Impairment*

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

##### Key Judgements

###### *Provision for Impairment*

No provision for impairment of receivables has been made at the end of the financial year.

## Notes to the Financial Statements For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>2 Revenue</b>		
<b>Sale of Goods</b>		
Bar Sales	371,400	384,484
Catering, Functions & Hires	111,900	83,256
Merchandise Sales	2,768	3,287
	<hr/>	<hr/>
	486,068	471,027
<b>Other</b>		
Advertising, Donations & Sponsorships	38,567	31,239
Bowling Fees	47,249	70,331
Gaming Machines – Net Income	137,098	116,782
Gaming – Other Income incl. GST Rebate	11,634	11,654
Interest & Rebates Received	8,944	7,647
Members' Subscriptions	34,205	34,552
Sundry Income	2,202	2,425
Keno	1,884	2,351
	<hr/>	<hr/>
	281,784	276,982
	<hr/>	<hr/>
<b>Total Operating Revenue</b>	<u>767,853</u>	<u>748,009</u>
<b>Non-Operating Activities</b>		
Funds Collected for Charities	1,234	450
Cash Flow Boost COVID Stimulus	-	53,802
Fixed Asset Profit on Disposal	16,000	-
Greens Levy	16,820	21,346
Job-Keeper COVID Stimulus	-	148,500
State Government COVID Grant	48,564	14,000
	<hr/>	<hr/>
<b>Total Non-Operating Revenue</b>	82,618	238,097
	<hr/>	<hr/>
<b>Total Revenue</b>	<u>850,471</u>	<u>986,107</u>

## Notes to the Financial Statements For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>3 Profit from Ordinary Activities</b>		
<b>(a) Profit before income tax expense has been determined after charging the following specific items:</b>		
<b>Depreciation</b>		
Buildings and Property Improvements	26,916	26,440
Gaming Machines & Equipment	13,265	15,790
Plant and Equipment	17,774	20,956
	<hr/>	<hr/>
Total depreciation and amortisation	57,954	63,186
	<hr/>	<hr/>
Net bad and doubtful debts expense including movements in provision for doubtful debts	-	-
	<hr/>	<hr/>
<b>Net expense from movements in provision for Employee Benefits</b>	7,823	8,660
	<hr/>	<hr/>
Net loss on disposal of property, plant and equipment	-	-
	<hr/>	<hr/>
<b>(b) Key Performance Indicators</b>		
<b>Bar</b>		
Bar Revenue/Total Revenue	43.67%	38.99%
Gross profit percentage	59.83%	58.04%
Bar Payroll to sales percentage	30.15%	39.74%
<b>Catering, Functions &amp; Hires</b>		
CF&H Revenue/Total Revenue	13.16%	8.44%
Gross profit percentage	85.84%	75.22%
CF&H Payroll to sales percentage	10.71%	58.15%
<b>Gaming</b>		
Gaming Revenue/Total Revenue	16.12%	11.84%
Retention/Net percentage	9.54%	8.58%
Average Monthly Turnover	\$185,120	\$149,661
Average Monthly return per gaming machine	\$561	\$780
<b>Employee Benefits – percentage to gaming revenue</b>	31.01%	46.12%
<b>EBITDARD (Club Data basis for sporting clubs)</b>	\$33,720	\$85,168
	3.96%	8.64%
Total Expenses to Total Revenue	102.99%	97.81%
Working Capital Surplus	\$232,499	\$255,832
Liquid Ratio	2.67	2.68

## Notes to the Financial Statements

### For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>4 Auditor's Remuneration</b>		
During the year the following fees were paid or payable for services provided by the auditor:		
Audit and review of financial reports		
- Conroy Audit & Advisory	4,500	4,500
Other regulatory audit services	-	-
	<u>4,500</u>	<u>4,500</u>
<b>5 Trade and Other Receivables</b>		
<b>Current</b>		
Trade Receivables	9,266	2,820
	<u>9,266</u>	<u>2,820</u>
<b>6 Inventories</b>		
Stock On Hand – Bar	27,580	18,696
Stock on Hand – Snack Foods	232	142
Stock on Hand – Bowling Accessories	2,869	2,532
Stock On Hand – Bowls Clothing	4,210	4,658
Finished Goods at Cost	<u>34,891</u>	<u>26,027</u>

## Notes to the Financial Statements For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>7 Property, Plant and Equipment</b>		
Freehold land (classified as core property) <i>At NSW Valuer General's Valuation</i>	4,980,000	4,980,000
<b>Building &amp; Property Improvements</b>		
<i>At cost</i>	1,061,950	1,046,460
<i>Accumulated depreciation</i>	(296,103)	(269,187)
W.D.V.	765,856	777,273
<b>Plant &amp; Equipment</b>		
Plant, Equipment & Furniture at cost	658,768	647,125
<i>Accumulated depreciation – P, E &amp; F</i>	(607,121)	(589,347)
Gaming Machines at cost	280,406	190,096
<i>Accumulated depreciation - GM</i>	(185,161)	(171,897)
W.D.V.	146,892	75,977
	-	-
Total property, plant and equipment net book value	5,892,748	5,833,250

### Valuation of Land, Building & Property Improvements

The Land, Building, Property Improvements (including Bowling Greens), Plant and Equipment are valued periodically by Valuation & Property Consultants (Gentle & Associates) for insurance purposes. The value has not been included in these statements, nor has current market value.

Security Details over Property, Plant and Equipment = Chattel Mortgage to ANZ in place over 2 poker machines.

### Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are set out below:

	Land \$	Building & Property Improvements \$	Plant & Equipment, Gaming \$	Total \$
Balance at the beginning of the year	4,980,000	777,273	75,977	5,833,250
Net amount of revaluation increments less revaluation decrements	-	-	-	-
Additions	-	15,500	118,228	133,728
Internal Transfers	-	-	-	-
Disposals	-	-	16,275	16,275
Depreciation expense	-	26,916	31,038	57,954
Carrying amount at end of year	4,980,000	765,856	146,892	5,892,748



## Notes to the Financial Statements

### For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>7 Property Plant &amp; Equipment (continued)</b>		
Gaming machine entitlements are not capitalised. Entitlements (14 of them) are estimated to be worth \$9,000 each net of transaction costs based on approaches received from a willing buyer.		
<b>8 Trade and other payables</b>		
Trade payables and accrued expenses	24,890	40,971
Members' Cash to Card	743	1,265
Members' Points	4,453	4,390
Poker Machine Lease	6,570	Nil
Goods and Services Tax (GST) payable	8,102	9,200
PAYG Withholding Tax (PAYGW) payable	13,881	17,104
	58,639	72,930
<b>9 Provisions</b>		
<b>Current</b>		
Subscriptions received in advance	24,720	25,420
Unearned Sponsorship	22,175	22,918
Audit Fee Accrued	-	4,500
Statutory Leave Provisions	33,940	26,117
	80,835	78,955
<b>Total Current</b>	139,474	151,884
<b>10 Commitments</b>		
<b>Non-current</b>		
Asset Finance Loan	61,634	Nil
	61,634	Nil
<b>Total Non-current Liabilities</b>	61,634	Nil

## Notes to the Financial Statements

### For the Year Ended 31 March 2022 (continued)

#### 11. Events Subsequent to Reporting Date

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operation of the company, the results of those operations or the state of affairs of the company in future financial years.

#### 12 Notes to the Cash Flow Statement

	2022 \$	2021 \$
<b>(a) Reconciliation of Cash</b>		
Cash as at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
Cash at Bank and on Hand	327,816	378,869
	<hr/>	<hr/>
Total Cash & Deposits	<u>327,816</u>	<u>378,869</u>
 <b>(b) Reconciliation of cash flow from operations with profit from ordinary activities after income tax</b>		
Profit/(loss) from ordinary activities after income tax	(25,468)	21,563
Net Profit on Sale of Fixed Assets	(16,000)	Nil
Add/(less) non cash items:		
Depreciation	57,954	63,186
Changes in assets and liabilities:		
(Increase)/decrease in trade & other receivables	(6,446)	9,311
(Increase)/decrease in inventories	(8,864)	(5,693)
Increase/(decrease) in trade & other payables	1,709	40,303
Increase/(decrease) in short term provisions	3,323	13,161
Increase/(decrease) in unearned revenue	(1,443)	6,077
	<hr/>	<hr/>
Cash flow from operating activities	4,766	147,908
	<hr/>	<hr/>
Cash flow from Investing Activities	(117,453)	(26,208)
	<hr/>	<hr/>
Cash flow from Financing Activities	61,634	Nil
	<hr/>	<hr/>
Net Cashflow	<u>51,053</u>	<u>121,700</u>

## Notes to the Financial Statements For the Year Ended 31 March 2022 (continued)

### (c) Non-Cash Financing and Investment Activities

During the financial year the company acquired property, plant and equipment with an aggregate fair value of \$ Nil (2020: \$ Nil) by means of finance leases.

	2022 \$	2021 \$
<b>13 Employee Benefits Expense</b>		
Payroll – Administration	105,246	105,486
Payroll – Bar	111,974	152,810
Payroll – Catering	11,988	48,410
Payroll – Gaming	42,519	53,859
Statutory Leave Expense	7,823	8,660
Superannuation	26,247	22,683
Workers Compensation Insurance	8,424	7,656
<b>Total</b>	<b>314,222</b>	<b>399,563</b>
<b>14 Property Expenses</b>		
Cleaning	22,957	18,915
Electricity and Gas	33,803	33,762
Greens Contractor	78,638	68,863
Greens & Other Sporting Costs	514	821
Insurance – Building & Contents	26,056	23,096
Municipal Rates	27,667	27,560
Repairs & Maintenance	24,304	22,412
Security & Fire Services	2,469	3,839
Telephone & Internet	2,323	3,240
Water Rates	4,320	4,485
<b>Total</b>	<b>223,051</b>	<b>206,994</b>
<b>15 Members' Guarantee</b>		
<p>The Company is 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.</p>		
<b>16 Company Details</b>		
<p>The registered office of the Company is:</p> <p>Turramurra Bowling Club Limited 181 Bobbin Head Road, Turramurra NSW 2074</p>		

## Notes to the Financial Statements

### For the Year Ended 31 March 2022 (continued)

	2022 \$	2021 \$
<b>17 Donations 2021/22</b>		
<b>Charity</b>		
Loud & Clear	500	
Guide Dogs: Model Dogs Program	734	419
<b>Other</b>		
Sponsorship	Nil	1,700
<b>TOTAL:</b>	1,234	2,119

## 18 Disclosure Requirements

Section 41J of the Registered Clubs Act 1976 requires the Club to disclose its core and non-core property as defined in the Annual Report. The Club's core property comprises the defined freehold clubhouse facilities situated at 181 Bobbin Head Road, Turramurra, NSW 2074.

The Club owns no non-core property.

## Directors' Declaration

In the opinion of the directors of Turramurra Bowling Club Limited (the company):

1. The financial statements and notes, set out on pages 10 to 27, are in accordance with the Corporations Act 2001, and:
  - (a) comply with Australian Accounting Standards; and
  - (b) give a true and fair view of the financial position as at 31<sup>st</sup> March 2022 and of the performance for the financial year ended on that date of the company.
  
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Dated at Turramurra NSW on 27 June, 2022.



Director

# INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TURRAMURRA BOWLING CLUB LIMITED

## Report on the Financial Report

We have reviewed the accompanying financial report of Turramurra Bowling Club Limited which comprises the Statement of Financial Position as at 31<sup>st</sup> March 2022, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the Directors Declaration.

## The Directors' Responsibility for the Financial Report

The Directors of the Club are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the financial report is not presented fairly, in all material respects, in accordance with Australian Accounting Standards. As the auditor of Turramurra Bowling Club Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Independence

In conducting our review, we have complied with the independence requirements of the Australian professional accounting bodies.

## Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the financial report of Turramurra Bowling Club Limited does not present fairly, in all material respects, the financial position of the Club as at 31<sup>st</sup> March 2022, and of its financial performance and its cash flows for the year ended on that date, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.



*Chartered Accountants*

Principal

A handwritten signature in black ink, appearing to read "David Conroy", written over a white rectangular background.

David Conroy

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